
To: Infrastructure, Land and Environment Policy Board

On: 26 January 2022

Report by: Director of Finance & Resources, Director of Environment and Infrastructure & Director of Communities and Housing

Heading: Revenue and Capital Budget Monitoring as at 12 November 2021

1. Summary of Financial Position

- 1.1. The projected Revenue outturn as at 31 March 2022 for Infrastructure, Land and Environment is an overspend position of £3.426m (10.7%) against the revised budget for the year, with £3.445m of expenditure directly attributable to the response to the Covid19 pandemic.
- 1.2. The projected Capital outturn as at 31 March 2022 for Infrastructure, Land and Environment is break even.
- 1.3. This is summarised over the relevant services in the table below and further analysis is provided in the Appendices.
- 1.4. For the financial year 2021/22, the projected outturn position is split into Core (or business as usual) and COVID-19 related variances to help readers understand the impact of the pandemic on service finances.

Table 1: Revenue

Division	Revised Annual Budget £000	Projected Outturn Core £000	Projected Outturn COVID-19 £000	Total Projected Outturn £000	Budget Variance £000	Budget Variance %
Environment and Infrastructure	30,422	30,415	3,402	33,817	(3,395)	11.2
Communities and Housing (Regulatory Services)	1,675	1,663	43	1,706	(31)	1.8

Table 2: Capital						
Division	Revised Annual Budget £000	Projected Outturn Core £000	Projected Outturn COVID-19 £000	Total Projected Outturn £000	Budget Variance £000	Budget Variance %
Environment and Infrastructure	16,724	16,724	0	16,724	0	0%

2. Recommendations

Members are requested to:

- 2.1. Note the projected Revenue outturn position as detailed in Table 1 above, considering that the forecast position is based on best estimates at this time;
- 2.2. Note the projected Capital outturn position as detailed in Table 2 above; and
- 2.3. Note the Revenue and Capital budget adjustments detailed in sections 4 and 6.

3. Revenue

- 3.1. The Revenue Budget Monitoring report at Appendix 1 identifies a projected annual overspend of £3.426m (10.7% of total budget) for Infrastructure, Land and Environment. Narrative is provided in the Appendices below to provide context and explanation to the budget position for service areas.
- 3.2. The projected outturn includes £3.445m of costs directly attributable to the ongoing response to and recovery from the pandemic. The projected costs of the pandemic are based on the financial information available at the time of writing this report, and future projections and outturns may vary depending on the operational and financial effect of the new variant of Covid 19.
- 3.3. The forecast financial overview for the Council being reported to FARCS Board incorporates the overspend position reflected in this report. It is expected that non-recurring resource earmarked at the end of 2020/21 will require to be utilised to fund this projected overspend.
- 3.4. The main reasons for the projected outturn position are indicated below, with the tables showing both the subjective analysis (what the budget is spent on) and the objective analysis (which division is spending the budget).

4. Revenue Budget Adjustments

- 4.1. Since the last report there have been budget adjustments of £26,000, relating to part year transfer of 2 staff within the cemeteries team from FARS to Environment & Infrastructure.

5. Capital

- 5.1. The Capital Investment Programme 2021/22 to 2025/26 was approved by the Council on 4th March 2021.
- 5.2. The Capital Monitoring report at Appendix 2 indicates adjustments in the approved capital programme of £4.096m. This mainly arises to reflect updated cash flows for various projects for revised delivery dates and timing of work.
- 5.3. Further detail, including reasons for significant variances, can be found at Appendix 2.

6. Capital Budget Adjustments

- 6.1. Since the last report, budget changes of £4.096m have arisen which reflect the following:

Budget Increases in 2021-22 (£0.096m): reflecting grant awards for the following projects;

- Vehicle Replacement Programme (£0.096m) for grant awards by Energy Saving Trust for supply and installation of electric vehicle charging infrastructure throughout Renfrewshire;

Budget decreases in 2021-22 (£0.120m): for changes in grant award for following projects;

- Strathclyde Passenger Transport (£0.120m) reflecting the agreed change in grant from Transport Scotland, increasing Hawkhead Park and Ride by £0.030m and decreasing Linburn Loop by £0.150m.

Budget transfers in 2021-22 (£0.100m) for the following projects;

- Improvement to Outdoor Access and Play Areas (£0.100m) to reflect award from Greenspaces and Parks Fund for Maxwellton Play park (£0.050m) and Lochwinnoch Playpark (£0.050m).

Budget reprofiled from 2021-22 to 2022-23 (£4.172m) to reflect updated cash flows for the following projects;

- Roads Footways (£0.620m) due to timing of work starting late 2021-22 and not completing until 2022-23.
- Vehicle Replacement Programme (£0.748m) to reflect the delivery dates of whale gully motor, roll on roll off and gritters expected from April to June 2022;
- Bridge Assessment/Strengthening (£0.181m) for work at Plymuir Bridge not expected to commence until 2022-23;
- Lighting Column Replacement (£0.160m) as phase 2 of St Andrew Drive will not start until early 2022-23;
- Traffic Management (£0.100m) for updated cash flows for the project;

- Core Pathways and Renfrew Riverside to Paisley route (£1.108m) as project expected to commence in February 2022 and continue into 2022-23;
 - Improvements to Parks and Access Outdoor Play Areas (£1.155m) to reflect timing of planned work;
 - Improvement to Cemetery Estate (£0.100m) for expected completion time of planned work in early 2022-23.
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Implications of this report

1. **Financial** – The projected budget outturn position for Infrastructure, Land and Environment Revenue budget is an overspend of £3.426m, with £3.445m due to the response to the pandemic.

The projected outturn position for Infrastructure, Land and Environment Services' Capital budget is break even. 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 result in lifecycle improvements and replacements to Roads & footways network and vehicles.

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 potential 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

Revenue Budget and Council Tax Policy Board report. Council 9th March 2020

Non-housing Capital Investment Programme, Prudential Framework and Treasury Management Strategy, and Capital Strategy 2020/21 – 24/25. Council, 9th March 2020.

Authors: Director of Finance & Resources, Director of Environment & Infrastructure and Director of Communities & Housing

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2021/22
1 April 2021 to 12 November 2021

POLICY BOARD : INFRASTRUCTURE, LAND AND ENVIRONMENT

Objective Summary	Revised Annual Budget at P6	Budget Adjustments	Revised Annual Budget	Projected Outturn Core Business	Projected Outturn COVID-19	Total Projected Outturn	Budget Variance (Adverse) or Favourable		Previous Projected Outturn Variance	Movement
	£000	£000	£000	£000	£000	£000	£000	%	£000	£000
Directorate and Service Co-ordination	1,435	0	1,435	1,435	5	1,440	(5)	(0.3%)	(4)	(1)
Refuse Collection	5,054	0	5,054	5,366	1,384	6,750	(1,696)	(33.6%)	(1,643)	(53)
Household Waste Recycling Centres	672	0	672	677	315	992	(320)	(47.6%)	(226)	(94)
Refuse Disposal	7,248	0	7,248	7,293	672	7,965	(717)	(9.9%)	(775)	58
Streetscene	6,113	29	6,142	6,016	126	6,142	0	0.0%	68	(68)
Sustainability and Place	590	(3)	587	458	1	459	128	21.8%	84	44
Fleet Services	(185)	0	(185)	(238)	1	(237)	52	28.1%	73	(21)
Social Transport	1,697	0	1,697	1,573	(165)	1,408	289	17.0%	471	(182)
Roads Operations	2,745	0	2,745	2,613	5	2,618	127	4.6%	59	68
Infrastructure and Assets	1,741	0	1,741	1,775	0	1,775	(34)	(2.0%)	2	(36)
Transportation & Development	1,250	0	1,250	1,153	0	1,153	97	7.8%	66	31
Parking of Vehicles	(1,132)	0	(1,132)	(874)	1,058	184	(1,316)	(116.3%)	(1,326)	10
Strathclyde Partnership for Transport	3,168	0	3,168	3,168	0	3,168	0	0.0%	0	0
Requisition										
Regulatory Services	1,675	0	1,675	1,663	43	1,706	(31)	(1.8%)	(26)	(5)
NET EXPENDITURE	32,071	26	32,097	32,078	3,445	35,523	(3,426)	(10.7%)	(3,177)	(250)

Objective Heading	Key Reasons for Projected Variance
Refuse Collection	The pandemic continues to result in increased costs of absence and holiday cover, and additional employee and vehicle costs for adherence to social distancing measures. Some of these vehicle costs are offset by increased income within social transport as mentioned below. At present these additional measures are forecast to remain in place for the full financial year. There is also an expected overspend on the supply of household waste bins, partly due to increased prices, and an under recovery of commercial waste income.
Household Waste Recycling Centres	In order to ensure the public can adhere safely to social distancing measures when visiting HWRC sites increased staffing was required to direct and control the operations. There are also ongoing costs of increased absence and holiday cover.
Refuse Disposal	There continues to be a significant increase in household waste for both residual and recycling tonnages, resulting in a forecast increase in the costs of disposal, compared to pre pandemic years. In addition there is an expected loss of income from both scrap metal and textile contracts.
Sustainability & Place	Management controls and actions to mitigate the overall costs of the pandemic have resulted in an underspend in employee costs due to vacancy management.
Social Transport	Additional driver support is required to adhere to service social distancing measures mainly within refuse collection, as mentioned above, resulting in increased income recovery.
Parking of Vehicles	Off street parking charges have now been reintroduced, however on and off street parking and fine recovery is remain significantly lower due to the pandemic, and this is expected to continue until the end of the financial year.

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2021/22
1 April 2021 to 12 November 2021

POLICY BOARD : INFRASTRUCTURE, LAND AND ENVIRONMENT

Subjective Summary	Revised Annual Budget at P6	Budget Adjustments	Revised Annual Budget	Projected Outturn Core Business	Projected Outturn COVID-19	Total Projected Outturn	Budget Variance (Adverse) or Favourable		Previous Projected Outturn Variance	Movement
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	%	£000's	£000's
Employees	21,985	152	22,137	21,815	1,295	23,109	(972)	(4.4%)	(766)	(208)
Premises Related	1,069	23	1,092	1,256	19	1,275	(183)	(16.7%)	(238)	55
Transport Related	6,085	23	6,108	6,253	505	6,758	(650)	(10.6%)	(649)	(1)
Supplies and Services	12,509	127	12,636	12,856	739	13,595	(959)	(7.6%)	(868)	(91)
Third Party Payments	3,203	0	3,203	3,203		3,203	(0)	0.0%	(0)	0
Transfer Payments	110	1	111	91		91	20	18.0%	(24)	44
Support Services	186	2	188	192		192	(4)	(2.3%)	(3)	(2)
Depreciation and Impairment Losses	0	0	0	0		0	0	0.0%	0	0
GROSS EXPENDITURE	45,147	328	45,475	45,666	2,558	48,224	(2,749)	(6.0%)	(2,548)	(203)
Income	(13,076)	(302)	(13,378)	(13,588)	887	(12,701)	(677)	(5.1%)	(629)	(47)
NET EXPENDITURE	32,071	26	32,097	32,078	3,445	35,523	(3,426)	(10.7%)	(3,177)	(250)

RENFREWSHIRE COUNCIL
CAPITAL INVESTMENT STRATEGY - NON-HOUSING SERVICES
1st April to 12th November 2021
POLICY BOARD: INFRASTRUCTURE, LAND & ENVIRONMENT

Project Title	Include prior	Project Code	Prior Years Expenditure to 31/03/2021*	Current Year 2021-22						Full Programme - All years			
				Approved Budget 2021-22	Budget Adjustments in 2021-22	Revised Budget 2021-22	Projected Outturn 2021-22	Budget Variance (Adverse) or Favourable		Total Approved Budget to 31-Mar-26	Projected Outturn to 31-Mar-26	Budget Variance (Adverse) or Favourable	
				£000	£000	£000	£000	£000		£000	£000		
ENVIRONMENT & INFRASTRUCTURE													
Cycling, Walking & Safer Streets (Funded by Specific Con	n	CU000CWLKSS	0	784	0	784	784	0	0%	1,284	1,284	0	0%
Roads/Footways Upgrade Programme	y	CGC02	15,584	9,900	(21)	9,879	9,879	0	0%	39,180	39,180	0	0%
Safe Road Crossing	Y	Safe Road Crossing	0	0	250	250	250	0	0%	250	250	0	0%
Vehicle Replacement Programme	n	GXT01	0	1,700	555	2,255	2,255	0	0%	3,012	3,012	0	0%
Bridge Assessment/Strengthening	n	CU000VHCLRP	0	569	(227)	342	342	0	0%	522	522	0	0%
Lighting Columns Replacement	n	CGC03	0	630	110	740	740	0	0%	900	900	0	0%
Traffic Management	n	CU000TFCMGT	0	200	(64)	136	136	0	0%	236	236	0	0%
Core pathways & cycle network	Y	athways & cycle n	19	0	43	43	43	0	0%	200	200	0	0%
Parks Improvement Programme	y	CGC04	2,122	228	5	233	233	0	0%	2,390	2,390	0	0%
Improvements to Outdoor Access and Play Area Program	y	CGC06	0	0	500	500	500	0	0%	1,600	1,600	0	0%
Multi Purpose Bins	y	CU000MUPUBN	60	20	(20)	0	0	0	0%	80	80	0	0%
Improvements to Cemetery Estate	y	CGC05	1,209	150	(59)	91	91	0	0%	1,441	1,441	0	0%
Underwood Depot - Workshop Improvements	y	CU000UDEPOT	106	0	206	206	206	0	0%	312	312	0	0%
Clyde Mission Fund - Renfrew Riverside to Paisley TC Active Travel Route	Y	CU000CLYMSS	0	0	65	65	65	0	0%	1,035	1,035	0	0%
Renewal of Play Parks	Y	CU000RNWLP	0	0	158	158	158	0	0%	158	158	0	0%
Nature Restoration Fund	Y	CU000NATURE	0	0	157	157	157	0	0%	157	157	0	0%
Strathclyde Partnership Transport	n	Project Code. Ne	0	0	885	885	885	0	0%	885	885	0	0%
TOTAL INFRASTRUCTURE, LAND & ENVIRONMENT BOARD			19,100	14,181	2,543	16,724	16,724	0	0%	53,642	53,642	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.