

**To:** Infrastructure, Land and Environment Policy Board

**On:** 25 January 2023

**Report by:** Director of Finance & Resources and Director of Environment & Infrastructure

**Heading:** Revenue and Capital Budget Monitoring as at 11 November 2022

## 1. Summary of Financial Position

1.1. The projected Revenue outturn as at 31 March 2023 for Infrastructure, Land and Environment is an overspend position of £2.098m (6.8%) against the revised budget for the year.

1.2. The projected Capital outturn as at 31 March 2023 for Infrastructure, Land and Environment is a breakeven position for the year.  
This is summarised over the relevant services in the table below and further analysis is provided in the Appendices.

**Table 1: Revenue**

| Division                     | Revised<br>Annual<br>Budget<br>£000 | Projected<br>Outturn<br>£000 | Budget<br>Variance<br>(Adv)/Fav<br>£000 | Budget<br>Variance<br>% |
|------------------------------|-------------------------------------|------------------------------|---|-------------------------|
| Environment & Infrastructure | 30,841                              | 32,537                       | (2.098)                                 | (6.8%)                  |

**Table 2: Capital**

| Division                     | Revised<br>Annual Budget<br>£000 | Projected<br>Outturn<br>£000 | Budget<br>Variance<br>(Adv)/Fav<br>£000 | Budget<br>Variance<br>% |
|------------------------------|----------------------------------|------------------------------|---|-------------------------|
| Environment & Infrastructure | 21,631                           | 21,631                       | 0                                       | 0.0%                    |

## **2. Recommendations**

It is recommended that the Infrastructure, Land and Environment Policy Board:

- 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 £2.098m (6.8% 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 costs for this financial year 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 current market conditions.
  - 3.3. The forecast financial overview for the Council being reported to Finance, Resources and Customer Services Board incorporates the overspend position reflected in this report.
  - 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). The main drivers are the loss of parking income, as has been the case since the beginning of the pandemic, the refuse collection costs that are largely driven by inflationary costs and absence cover as a result of annual leave being carried forward from during the pandemic and the impact of the anticipated energy increases on areas such as street and traffic lighting.
- 

## **4. Revenue Budget Adjustments**

- 4.1. The budget adjustments actioned between reporting periods were in the main realignments within some of the operational sections and the allocation of national insurance budgets.
- 

## **5. Capital**

- 5.1. The Capital Investment Programme 2022/23 to 2026/27 was approved by the Council on 3 March 2022.

- 5.2. The Capital Monitoring report at Appendix 2 indicates adjustments in the approved capital programme of £3.948m, of which £0.052m have occurred since the last board report at Period 3. This reflects new grant funding awarded in 2022/23 and deceleration of budget related to updated cash flows.
- 5.3. The projected outturn at 31 March 2023 is a breakeven position. 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 £0.052m have arisen which reflect the following:

Budget Increases in 2022/23 (£0.452m) for grant awarded in the following projects:

- Nature Restoration Fund (£0.452m) reflecting grant awarded by the Scottish Government in 2022/23;

Budget reprofiled from 2022/23 into 2023/24 (£0.400m) for the following projects:

- Bridge Strengthening (£0.250m) due to expected timing of Plymuir Bridge project;
- Vehicle Replacement Programme (£0.150m) to reflect expected delivery date of two Cherry Pickers.

Budget transfers in 2022/23:

- Transfer (£0.200m) from Bridge Strengthening to Renfrew Riverside to Paisley Town Centre Active Travel Route as described in the Revenue and Capital Monitoring Report on 31 August 2022.

---

## Implications of this report

1. **Financial** – The projected budget outturn position for Infrastructure, Land and Environment Revenue budget is an overspend of £2.098m.

The projected outturn position for Infrastructure, Land and Environment Services' Capital budget is breakeven position. 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 3 March 2022

Capital Investment Programme 2022/23 to 2026/27, Council 3 March 2022.

---

**Authors:** Director of Finance & Resources and Director of Environment & Infrastructure

**RENFREWSHIRE COUNCIL**  
**REVENUE BUDGET MONITORING STATEMENT 2022/23**  
**1 April 2022 to 11 November 2022**

**POLICY BOARD : INFRASTRUCTURE, LAND AND ENVIRONMENT**

| Objective Summary                                    | Approved<br>Annual Budget<br>at Period 6 | Budget<br>Adjustments | Revised Annual<br>Budget at<br>Period 8 | Projected<br>Outturn | Budget Variance<br>(Adverse) or Favourable |               | Previous<br>Projected<br>Outturn<br>Variance | Movement     |
|--|--|-----------------------|---|----------------------|--|---------------|--|--------------|
|  | £000                                     | £000                  | £000                                    | £000                 | £000                                       | %             | £000   | £000         |
| Directorate and Service Co-ordination                | 1,249                                    | 0                     | 1,249                                   | 1,125                | 124  | 9.9%          | 124  | (0)          |
| Refuse Collection                                    | 5,392                                    | 0                     | 5,392                                   | 7,081                | (1,689)                                    | (31.3%)       | (1,576)                                      | (113)        |
| Household Waste Recycling Centres                    | 768                                      | 0                     | 768                                     | 836                  | (68)                                       | (8.9%)        | (73)   | 5            |
| Refuse Disposal                                      | 7,602                                    | 0                     | 7,602                                   | 6,887                | 715  | 9.4%          | 679  | 36           |
| Streetscene  | 6,202                                    | 6                     | 6,208                                   | 6,296                | (88)                                       | (1.4%)        | (68)   | (20)         |
| Sustainability and Place                             | 606                                      | 0                     | 606                                     | 585                  | 21   | 3.5%          | 59   | (38)         |
| Fleet Services                                       | (172)                                    | 67                    | (105)                                   | (83)                 | (22)                                       | (21.0%)       | 85   | (107)        |
| Social Transport                                     | 1,587                                    | (66)                  | 1,521                                   | 1,400                | 121  | 8.0%          | 180  | (59)         |
| Roads Operations                                     | 2,886                                    | 9                     | 2,895                                   | 2,906                | (11)                                       | (0.4%)        | 30   | (41)         |
| Infrastructure and Assets                            | 1,690                                    | (26)                  | 1,664                                   | 1,905                | (241)                                      | (14.5%)       | (41)   | (200)        |
| Transportation & Development                         | 992                                      | 0                     | 992                                     | 885                  | 107  | 10.8%         | (19)   | 126          |
| Parking of Vehicles                                  | (1,130)                                  | 0                     | (1,130)                                 | (63)                 | (1,067)                                    | (94.4%)       | (1,078)                                      | 11           |
| Strathclyde Partnership for Transport<br>Requisition | 3,168                                    | 0                     | 3,168                                   | 3,168                | 0  | 0.0%          | 0  | (0)          |
| <b>NET EXPENDITURE</b>                               | <b>30,840</b>                            | <b>(10)</b>           | <b>30,830</b>                           | <b>32,928</b>        | <b>(2,098)</b>                             | <b>(6.8%)</b> | <b>(1,696)</b>                               | <b>(403)</b> |

**RENFREWSHIRE COUNCIL**  
**REVENUE BUDGET MONITORING STATEMENT 2022/23**  
**1 April 2022 to 11 November 2022**

**POLICY BOARD : INFRASTRUCTURE, LAND AND ENVIRONMENT**

| Subjective Summary                 | Approved<br>Annual Budget<br>at Period 6 | Budget<br>Adjustments | Revised Annual<br>Budget at<br>Period 8 | Projected<br>Outturn | Budget Variance<br>(Adverse) or Favourable |               | Previous<br>Projected<br>Outturn<br>Variance | Movement     |
|------------------------------------|--|-----------------------|---|----------------------|--|---------------|--|--------------|
|                                    | £000                                     | £000                  | £000                                    | £000                 | £000                                       | %             | £000   | £000         |
| Employees                          | 21,642                                   | (10)                  | 21,632                                  | 22,525               | (893)                                      | (4.1%)        | (654)  | (241)        |
| Premises Related                   | 1,053                                    | 0                     | 1,053                                   | 1,466                | (413)                                      | (39.2%)       | (413)  | (0)          |
| Transport Related                  | 6,039                                    | 0                     | 6,039                                   | 7,204                | (1,165)                                    | (19.3%)       | (1,130)                                      | (35)         |
| Supplies and Services              | 12,108                                   | 300                   | 12,408                                  | 12,776               | (368)                                      | (3.0%)        | (135)  | (233)        |
| Third Party Payments               | 3,196                                    | 0                     | 3,196                                   | 3,224                | (28)                                       | (0.9%)        | (13)   | (15)         |
| Transfer Payments                  | 104                                      | 0                     | 104                                     | 153                  | (49)                                       | (47.1%)       | (47)   | (2)          |
| Support Services                   | 34                                       | 0                     | 34                                      | 23                   | 11   | 32.4%         | 27   | (16)         |
| Depreciation and Impairment Losses | 0  | (300)                 | (300)                                   | 0                    | (300)                                      | (100.0%)      | (300)  | 0            |
| <b>GROSS EXPENDITURE</b>           | <b>44,176</b>                            | <b>(10)</b>           | <b>44,166</b>                           | <b>47,371</b>        | <b>(3,205)</b>                             | <b>(7.3%)</b> | <b>(2,665)</b>                               | <b>(542)</b> |
| Income                             | (13,336)                                 | 0                     | (13,336)                                | (14,443)             | 1,107                                      | 8.3%          | 969  | 138          |
| <b>NET EXPENDITURE</b>             | <b>30,840</b>                            | <b>(10)</b>           | <b>30,830</b>                           | <b>32,928</b>        | <b>(2,098)</b>                             | <b>(6.8%)</b> | <b>(1,696)</b>                               | <b>(403)</b> |

| Objective Heading                 | Key Reasons for Projected Variance   |
|-----------------------------------|--|
| Refuse Collection                 | The over spend in the main relates to increased costs relating to fuel cost, bins, caddies and bin liner supply. Also, due to high levels annual of leave carried forward as a result of the pandemic, additional overtime is being incurred in order to cover this from an operational perspective. In addition, there has been a reduction in demand for special uplifts from the Housing Service.                                     |
| Household Waste Recycling Centres | In the main, the overspend is in relation to transport related costs as a result of increased fuel prices and external vehicle hires.  |
| Refuse Disposal                   | The current projected position relates to reduced levels of waste being disposed of and are expected to continue for the remainder of the financial year resulting in an underspend on the Clyde Valley Waste contract. In addition, income is expected to over recover this financial year due to income for mixed plastics, cans and glass now expected this financial year. However, this will be closely monitored through the year. |
| Streetscene                       | The current projected overspend within Streetscene in the main relates to the tree management and the associated health and safety issues such as tree inspections and monitoring tree health. As a result, the Council is incurring increased inspection and monitoring costs in dealing with tree health issues such as Ash Dieback. This will be closely monitored through the remainder of the financial year.                       |
| Social Transport                  | Due to supporting in year projects, the service is receiving additional income. However, it should be noted that this will be monitored throughout the financial year and any changes will be reported to future boards.   |
| Parking of Vehicles               | Off-street parking charges have been reintroduced for a number of months, however on and off street parking income and fine recovery remain significantly lower than pre-pandemic levels and this is expected to remain until the end of the current financial year.   |

**RENFREWSHIRE COUNCIL**  
**CAPITAL INVESTMENT STRATEGY - NON-HOUSING SERVICES**  
 1st April to 11th November 2022  
**POLICY BOARD: INFRASTRUCTURE, LAND & ENVIRONMENT**

| Project Title   | Prior Years<br>Expenditure<br>to 31/03/2022*<br><br>£000 | Current Year 2022-23                      |   |  |   |  |           | Full Programme - All years                       |  |  |           |
|---|--|---|---|--|---|--|-----------|--|--|--|-----------|
|   |  | Approved<br>Budget<br>2022-23<br><br>£000 | Budget<br>Adjustments<br>in 2022-23<br><br>£000 | Revised<br>Budget<br>2022-23<br><br>£000 | Projected<br>Outturn<br>2022-23<br><br>£000 | Budget Variance (Adverse) or<br>Favourable |           | Total Approved<br>Budget<br>to 31-Mar-27<br>£000 | Projected<br>Outturn<br>to 31-Mar-27<br>£000 | Budget Variance (Adverse) or<br>Favourable |           |
|   |  |   |   |  |   |  |           |  |  |  |           |
| <b>ENVIRONMENT &amp; INFRASTRUCTURE</b>                                     |  |   |   |  |   |  |           |  |  |  |           |
| Cycling, Walking & Safer Routes   | 0  | 785                                       | 432   | 1,217                                    | 1,217                                       | 0  | 0%        | 1,467  | 1,467  | 0  | 0%        |
| Roads/Footways Upgrade Programme  | 15,584   | 11,068                                    | (28)  | 11,040                                   | 11,040                                      | 0  | 0%        | 39,180   | 39,180                                       | 0  | 0%        |
| Safe Road Crossing  | 59   | 0   | 191   | 191                                      | 191   | 0  | 0%        | 250  | 250  | 0  | 0%        |
| Vehicle Replacement Programme   | 0  | 2,257                                     | 86  | 2,343                                    | 2,343                                       | 0  | 0%        | 2,492  | 2,492  | 0  | 0%        |
| Bridge Assessment/Strengthening   | 0  | 481                                       | (412)   | 69                                       | 69  | 0  | 0%        | 320  | 320  | 0  | 0%        |
| Lighting Columns Replacement  | 0  | 560                                       | 404   | 964                                      | 964   | 0  | 0%        | 964  | 964  | 0  | 0%        |
| Traffic Management  | 0  | 100                                       | 83  | 183                                      | 183   | 0  | 0%        | 183  | 183  | 0  | 0%        |
| Core pathways & cycle network   | 62   | 138                                       | 0   | 138                                      | 138   | 0  | 0%        | 200  | 200  | 0  | 0%        |
| Parks Improvement Programme   | 2,142  | 63  | 97  | 160                                      | 160   | 0  | 0%        | 2,302  | 2,302  | 0  | 0%        |
| Improvements to Outdoor Access and Play Area Program                        | 264  | 1,100                                     | 355   | 1,455                                    | 1,455                                       | 0  | 0%        | 1,718  | 1,718  | 0  | 0%        |
| Multi Purpose Bins  | 60   | 20  | 0   | 20                                       | 20  | 0  | 0%        | 80   | 80   | 0  | 0%        |
| Improvements to Cemetery Estate   | 1,220  | 141                                       | 179   | 320                                      | 320   | 0  | 0%        | 1,541  | 1,541  | 0  | 0%        |
| Underwood Depot - Workshop Improvements                                     | 320  | 0   | 2   | 2  | 2   | 0  | 0%        | 322  | 322  | 0  | 0%        |
| Clyde Mission Fund - Renfrew Riverside to Paisley TC<br>Active Travel Route | 33   | 970                                       | 232   | 1,202                                    | 1,202                                       | 0  | 0%        | 1,235  | 1,235  | 0  | 0%        |
| Renewal of Play Parks   | 0  | 0   | 313   | 313                                      | 313   | 0  | 0%        | 1,849  | 1,849  | 0  | 0%        |
| Nature Restoration Fund   | 1  | 0   | 608   | 608                                      | 608   | 0  | 0%        | 609  | 609  | 0  | 0%        |
| Recycle Improvement Fund  | 0  | 0   | 346   | 346                                      | 346   | 0  | 0%        | 346  | 346  | 0  | 0%        |
| Strathclyde Partnership Transport   | 0  | 0   | 1,060   | 1,060                                    | 1,060                                       | 0  | 0%        | 1,060  | 1,060  | 0  | 0%        |
| <b>TOTAL INFRASTRUCTURE, LAND &amp; ENVIRONMENT<br/>BOARD</b>               | <b>19,745</b>  | <b>17,683</b>                             | <b>3,948</b>                                    | <b>21,631</b>                            | <b>21,631</b>                               | <b>0</b>                                   | <b>0%</b> | <b>56,118</b>                                    | <b>56,118</b>                                | <b>0</b>                                   | <b>0%</b> |

\*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.