
To: Finance, Resources and Customer Services Policy Board

On: 30 March 2023

Report by: Director of Finance and Resources

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 Finance, Resources and Customer Services Policy Board is an overspend position of £1.473m (1.5%) against the revised budget for the year.
- 1.2. The projected capital outturn at 31 March 2023 for projects reporting to the Finance, Resources and Customer Services Policy Board is a break-even position.
- 1.3. This is summarised over the relevant services 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 £000	Budget Variance %
Finance and Resources	44,091	44,444	(353)	(0.8%)
Environment and Infrastructure	21,775	22,895	(1,120)	(5.1%)
Miscellaneous	30,730	30,730	0	0%
Total	96,596	98,069	(1,473)	(1.5%)

Table 2: Capital				
Division	Revised Annual Budget £000	Projected Annual Outturn £000	Budget Variance £000	Budget Variance %
Finance, Resources and Customer Services	6,884	6,884	0	0%

2. Recommendations

Members are requested to:

- 2.1. Note the projected Revenue outturn position detailed in Table 1 above;
- 2.2. Note the projected Capital outturn position detailed in Table 2 above; and
- 2.3. 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 overspend of £1.473m (1.5% of total budget) for all services reporting to this Policy Board. Detailed division service reports can be found at the end of this report, along with an explanation of any significant projected variances.
- 3.2. The projected outturn is based on information currently available, and assumptions made by service budget holders. Any changes to these projections will be detailed in future reports to this Board.
- 3.3. The main reasons for the projected outturn position are indicated below 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. Members are requested to note from Appendix 1 that budget adjustments totalling **£11.594m** have been processed since the last report, with the main reasons as follows:
 - **+ £2.0m** allocated to Finance and Resources, and **£1.6m** to Environment and Infrastructure, which mainly relates to non-teacher pay inflation
 - **- £5.9m** transfer from Miscellaneous to earmarked reserves to support Fairer Renfrewshire and other programmes of work beyond 2023/24;
 - **- £9.2m** budget realignment from Miscellaneous to other Council Services in respect of the non-teacher pay award.

5. Capital

- 5.1. The Capital Investment Programme 2022/23 to 2026/27 was approved by the Council on 3 March 2022. For Finance, Resources and Customer Services the approved capital spend for 2022/23 is £6.884m (£9.107m approved Capital Plan).
- 5.2. The budget movement primarily results from reprofiling in the approved capital programme for the year, and grant awarded for kitchen refurbishment for the expansion of school meals. Further detail can be found at Appendix 2.

6. Capital Budget Adjustments

- 6.1. Since the last report, budget changes totalling **£2.711m** have arisen, which reflect the following:
 - Budget carried forward into 2023/24 from 2022/23 (£2.711m):
 - ICT Infrastructure and Renewal Programme (£0.238m) to reflect expected delivery dates in early 2023/24;
 - Lifecycle Capital Maintenance Fund (£2.473m) to reflect timing of expected improvements across a range of properties.

Implications of this report

1. **Financial** – The projected budget outturn position for Finance, Resources and Customer Services' Revenue budget is an overspend of £1.473m. Income and expenditure will continue to be monitored closely for the rest of the financial year and, as far as possible, steps will be taken to mitigate any overspend.

The projected outturn position for Finance, Resources and Customer Services' Capital budget is break-even. The Capital programme will continue to be monitored closely for the rest of the financial year and, where necessary, steps will be taken to mitigate any overspend.

Any changes to current projections in either Revenue or Capital budgets will be reported to the board as early as possible, along with an explanation for the movement.

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** - The Capital expenditure in this board will result in lifecycle maintenance improvements to existing properties and replacement of ICT assets and infrastructure.
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.
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List of Background Papers

Revenue Budget and Council Tax 2022/23, Council 3 March 2022.

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

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

POLICY BOARD : FINANCE, RESOURCES & CUSTOMER 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
Finance and Resources	42,165	1,926	44,091	44,444	(353)	(0.8%)	(353)	0
Environment and Infrastructure	20,154	1,621	21,775	22,895	(1,120)	(5.1%)	(750)	(370)
Miscellaneous	45,871	(15,141)	30,730	30,730	0	0.0%	0	0
NET EXPENDITURE	108,190	(11,594)	96,596	98,069	(1,473)	(1.5%)	(1,103)	(370)
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	101,966	(7,892)	94,074	93,138	936	1.0%	138	798
Premises Related	8,984	(107)	8,877	9,704	(827)	(9.3%)	(557)	(270)
Transport Related	1,682	0	1,682	1,962	(280)	(16.6%)	(40)	(240)
Supplies and Services	21,912	1,453	23,365	23,235	130	0.6%	(280)	410
Third Party Payments	2,078	0	2,078	2,054	24	1.2%	24	0
Transfer Payments	58,648	(5,047)	53,601	53,600	1	0.0%	1	0
Support Services	2,740	1	2,741	2,724	17	0.6%	50	(33)
Depreciation and Impairment Losses	7,177	0	7,177	7,177	0	0.0%	0	0
GROSS EXPENDITURE	205,187	(11,592)	193,595	193,594	1	0.0%	(664)	665
Income	(96,997)	(2)	(96,999)	(95,525)	(1,474)	(1.5%)	(440)	(1,034)
NET EXPENDITURE	108,190	(11,594)	96,596	98,069	(1,473)	(1.5%)	(1,104)	(369)

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

POLICY BOARD : FINANCE, RESOURCES & CUSTOMER 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
Finance and Resources Directorate	(353)	(190)	(543)	(542)	(1)	(0.2%)	(1)	0
Audit Services	601	31	632	638	(6)	(0.9%)	(3)	(3)
Corporate Governance	3,207	137	3,344	3,249	95	2.8%	78	17
Digital, Transformation & Customer Services	20,879	1,113	21,992	22,101	(109)	(0.5%)	(102)	(7)
Finance and Business Services	11,034	626	11,660	11,588	72	0.6%	68	4
Housing Benefits	4,043	0	4,043	4,047	(4)	(0.1%)	(3)	(1)
People & Organisational Development	2,463	125	2,588	2,627	(39)	(1.5%)	(32)	(7)
Property Services	(527)	84	(443)	(352)	(91)	(20.5%)	(91)	0
Social care (non-delegated)	818	0	818	1,088	(270)	(33.0%)	(267)	(3)
NET EXPENDITURE	42,165	1,926	44,091	44,444	(353)	(0.8%)	(353)	0

Objective Heading	Key Reasons for Significant Projected Variances
Digital, Transformation & Customer Services	The projected overspend reflects the one off costs of migration for the Council's telephony system over the course of the current financial year.
Property Services	An overspend in Premises Costs is projected. This is due to an expected increase in energy costs across operational Council properties.
Social care (non-delegated)	An overspend in Premises Costs is projected. This is due to an expected increase in energy costs across Health and Social Care properties

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

POLICY BOARD : FINANCE, RESOURCES & CUSTOMER SERVICES - FINANCE & RESOURCES

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	33,897	2,142	36,039	35,984	55	0.2%	58	(3)
Premises Related	2,728	(190)	2,538	2,881	(343)	(13.5%)	(343)	0
Transport Related	76	0	76	54	22	28.9%	22	0
Supplies and Services	9,325	(26)	9,299	9,479	(180)	(1.9%)	(173)	(7)
Third Party Payments	1,745	0	1,745	1,721	24	1.4%	24	0
Transfer Payments	55,156	0	55,156	55,155	1	0.0%	1	0
Support Services	694	0	694	652	42	6.1%	50	(8)
Depreciation and Impairment Losses	0	0	0	0	0	0.0%	0	0
GROSS EXPENDITURE	103,621	1,926	105,547	105,926	(379)	21.2%	(361)	(18)
Income	(61,456)	0	(61,456)	(61,482)	26	0.0%	8	18
NET EXPENDITURE	42,165	1,926	44,091	44,444	(353)	(0.8%)	(353)	0

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

POLICY BOARD : FINANCE, RESOURCES & CUSTOMER SERVICES - ENVIRONMENT AND INFRASTRUCTURE

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
Building Services	(240)	0	(240)	(240)	0	0.0%	0	0
Street Lighting Maintenance Work	376	6	382	554	(172)	(45.0%)	(152)	(20)
Public Building Repairs	3,866	77	3,943	4,281	(338)	(8.6%)	0	(338)
Soft Facilities Management Services	16,152	1,538	17,690	18,300	(610)	(3.4%)	(598)	(12)
NET EXPENDITURE	20,154	1,621	21,775	22,895	(1,120)	(5.1%)	(750)	(370)

Objective Heading	Key Reasons for Significant Projected Variances
Building Services	The service is currently forecast to break even this year; however, it is recognised that costs are under considerable pressure from supply price increases. This will affect the Housing Revenue Account as Public Building Repairs as the two main recharges of Building Services costs.
Street Lighting Maintenance Work	There is a projected overspend on repairs and maintenance of street lighting columns due to increased costs of materials, which will be closely monitored for the rest of the financial year.
Public Building Repairs	The forecast projection arises from anticipated cost increases within Building Services being passed on to Public Building Repairs, owing to pay and materials inflationary pressures.
Soft Facilities Management Services	There is an anticipated under-recovery of income, which is offset by some vacancies and an underspend in supplies and services across the service; this will continue to be closely monitored for the rest of the financial year.

REVENUE BUDGET MONITORING STATEMENT 2022/23

1 April 2022 to 6 January 2023

POLICY BOARD : FINANCE, RESOURCES & CUSTOMER SERVICES - ENVIRONMENT AND INFRASTRUCTURE

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	26,730	1,581	28,311	27,430	881	3.1%	80	801
Premises Related	3,239	16	3,255	3,739	(484)	(14.9%)	(214)	(270)
Transport Related	1,594	0	1,594	1,896	(302)	(18.9%)	(62)	(241)
Supplies and Services	10,119	24	10,143	9,833	310	3.1%	(107)	417
Third Party Payments	0	0	0	0	0	0.0%	0	0
Transfer Payments	43	0	43	43	0	0.0%	0	0
Support Services	1,082	0	1,082	1,107	(25)	(2.3%)	0	(25)
Depreciation and Impairment Losses	0	0	0	0	0	0.0%	0	0
GROSS EXPENDITURE	42,807	1,621	44,428	44,048	380	0.9%	(302)	682
Income	(22,653)	0	(22,653)	(21,153)	(1,500)	(6.6%)	(448)	(1,052)
NET EXPENDITURE	20,154	1,621	21,775	22,895	(1,120)	(5.1%)	(750)	(370)

REVENUE BUDGET MONITORING STATEMENT 2022/23

1 April 2022 to 6 January 2023

POLICY BOARD : FINANCE, RESOURCES & CUSTOMER SERVICES - MISCELLANEOUS

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	41,338	(11,614)	29,724	29,724	0	0.0%	0	0
Premises Related	3,018	66	3,084	3,084	0	0.0%	0	0
Transport Related	12	0	12	12	0	0.0%	0	0
Supplies and Services	2,469	1,454	3,923	3,923	0	0.0%	0	0
Third Party Payments	333	0	333	333	0	0.0%	0	0
Transfer Payments	3,449	(5,047)	(1,598)	(1,598)	0	0.0%	0	0
Support Services	965	0	965	965	0	0.0%	0	0
Depreciation and Impairment Losses	7,177	0	7,177	7,177	0	0.0%	0	0
GROSS EXPENDITURE	58,761	(15,141)	43,620	43,620	0	0.0%	0	0
Income	(12,890)	0	(12,890)	(12,890)	0	0.0%	0	0
NET EXPENDITURE	45,871	(15,141)	30,730	30,730	0	0.0%	0	0

Subjective Heading	Key Reasons for Significant Projected Variances
Budget Adjustments	The budget transfer relates to the allocation of budgets to other Council services for the 2022/23 local government pay award, as well as transfers to earmarked reserves.

RENFREWSHIRE COUNCIL
CAPITAL INVESTMENT STRATEGY - NON-HOUSING SERVICES
 1st April to 6th January 2023
POLICY BOARD: FINANCE, RESOURCES & CUSTOMER SERVICES

		Current Year 2022-23						Full Programme - All years			
Project Title	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	
	£000	£000	£000	£000	£000						
CORPORATE PROJECTS											
ICT Infrastructure Maintenance & Renewal Program	0	1,585	(88)	1,497	1,497	0	0%	3,927	3,927	0	0%
Strategic Asset Management Fund	0	1,800	(1,800)	0	0	0	0%	0	0	0	0%
Energy Efficiency Programme	0	102	0	102	102	0	0%	102	102	0	0%
Lifecycle Capital Maintenance (LCM) Fund	0	5,090	(2,730)	2,360	2,360	0	0%	12,456	12,456	0	0%
Artificial Pitch Upgrades	0	0	1,200	1,200	1,200	0	0%	1,200	1,200	0	0%
Digital Infrastructure Provision	1,546	0	390	390	390	0	0%	1,936	1,936	0	0%
Community Empowerment Fund	349	293	309	602	602	0	0%	951	951	0	0%
Greenspaces and Parks	946	237	(237)	0	0	0	0%	936	936	0	0%
Villages Improvement Fund	0	0	350	350	350	0	0%	350	350	0	0%
Retail Improvement Fund	0	0	150	150	150	0	0%	150	150	0	0%
CO2 Monitors	0	0	233	233	233	0	0%	233	233	0	0%
TOTAL FINANCE, RESOURCES & CUSTOMER SERVICES BOARD	2,841	9,107	(2,223)	6,884	6,884	0	0%	22,241	22,241	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.