
To: Finance, Resources and Customer Services Policy Board

On: 18 April 2024

Report by: Director of Finance and Resources

Heading: Revenue and Capital Budget Monitoring as at 5 January 2024

1. Summary of Financial Position

- 1.1. The projected revenue outturn at 31 March 2024 for those services reporting to the Finance, Resources and Customer Services Policy Board is an overspend position of £2.610m (2.7%) against the revised budget for the year.
- 1.2. The projected capital outturn at 31 March 2024 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 Outturn £000	Budget Variance (Adv)/Fav £000	Budget Variance %
Finance and Resources	43,606	43,606	0	0.0%
Environment, Housing and Infrastructure	21,082	24,492	(3,410)	(16.2%)
Chief Executive's Service (Estates)	(278)	(278)	0	0.0%
Miscellaneous	31,706	30,906	800	2.5%
Total	96,116	98,726	(2,610)	(2.7%)

Table 2: Capital				
Division	Revised Annual Budget £000	Projected Outturn £000	Budget Variance (Adv)/Fav £000	Budget Variance %
Finance, Resources and Customer Services Policy Board	£9,695	£9,695	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 £2.610m (2.7% 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.
- 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).
- 3.4. The projections assume that additional staff costs as a result of the non-teaching pay settlement for 2023/24 will be fully funded for the services reporting to this board. At the time of writing, there is still some outstanding detail on the Council's share of the funding package from the Scottish Government to support this position.

4. Revenue Budget Adjustments

- 4.1. Members are requested to note, from Appendix 1, that budget adjustments totalling **-£0.308m** have been processed since the last report at Period 8, with the main reasons as follows:
 - **-£0.426m** transferred from Miscellaneous into Children's Services mainly relating to a realignment of non-domestic rates budgets.

- **+£0.170m** comprising largely of transfers into Public Buildings Repairs from other services for work on various properties (£54k) plus a drawdown from earmarked reserves (£100k) in respect of costs for Breakfast Clubs, as agreed by the Fairer Renfrewshire Sub-Committee;
- **+£0.106m** transferred into Miscellaneous from Finance and Resources relating to Right for Renfrewshire savings.
- **-£0.083m** transferred from the Chief Executive's Service (Estates) into Miscellaneous in respect of realignment of property costs, including £0.050m for the Strategic Property Review.

5. Capital

- 5.1. The Capital Investment Programme 2023/24 to 2027/28 was approved by the Council on 2 March 2023. For Finance, Resources and Customer Services the revised capital spend for 2023/24 is £9.695m.

6. Capital Budget Adjustments

- 6.1. Since the last report, budget changes totalling **£0.853m** for Lifecycle Capital Maintenance Fund have arisen, which reflect the following:
- Budget brought forward from 2024/25 into 2023/24 in relation to timing of works at Castlehead High (structural remediation works) of £0.030m;
 - Budget carried forward from 2023/24 into 2024/25 (£0.477m) as a result of updated cashflows to reflect work to be completed by the end of summer 2024 for the following projects:
 - Wallneuk Records Store Roof Replacement (£0.090m);
 - Brediland PS - Roof Replacement (£0.100m);
 - Renewal of Fire and Security Systems - Various Schools (£0.095m);
 - Renfrewshire House - Car Park Works (£0.192m);
 - Budget increase in 2023/24 in relation to Kitchen Refurbishment for the Expansion of Universal Free School Meals - £1.3m grant award from the Scottish Government.
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Implications of this report

1. **Financial** – The projected budget outturn position for Finance, Resources and Customer Services' Revenue budget is an overspend of £2.610m (2.7%). 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.

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 noted in this report 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** - None directly arising from this report.
 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** - None directly arising from this report.
 13. **Climate Risk** - None directly arising from this report.
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List of Background Papers

Revenue Budget and Council Tax 2023/24, Council 2 March 2023

The Capital Investment Programme 2023/24 to 2027/28, Council 2 March 2023

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RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2023/24
1 April 2023 to 5 January 2024

POLICY BOARD : FINANCE, RESOURCES & CUSTOMER SERVICES

Objective Summary	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	43,712	(106)	43,606	43,606	0	0.0%	0	0
Environment, Housing and Infrastructure	20,912	170	21,082	24,492	(3,410)	(16.2%)	(2,789)	(621)
Chief Executive's Service (Estates)	(195)	(83)	(278)	(278)	0	0.0%	0	0
Miscellaneous	31,995	(289)	31,706	30,906	800	2.5%	800	0
NET EXPENDITURE	96,424	(308)	96,116	98,726	(2,610)	(2.7%)	(1,989)	(621)

Subjective Summary	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	75,812	(386)	75,426	75,326	100	0.1%	196	(96)
Premises Related	11,692	(362)	11,330	12,961	(1,631)	(14.4%)	(895)	(736)
Transport Related	2,042	(1)	2,041	2,505	(464)	(22.7%)	(488)	24
Supplies and Services	29,497	676	30,173	31,399	(1,226)	(4.1%)	(4,591)	3,365
Third Party Payments	1,900	0	1,900	1,878	22	1.2%	22	0
Transfer Payments	56,976	537	57,513	56,653	860	1.5%	857	3
Support Services	190	(1)	189	188	1	0.4%	25	(24)
Depreciation and Impairment Losses	7,957	0	7,957	7,957	0	0.0%	0	0
GROSS EXPENDITURE	186,066	463	186,529	188,867	(2,338)	(1.3%)	(4,874)	2,536
Income	(89,642)	(771)	(90,413)	(90,142)	(271)	(0.3%)	2,885	(3,156)
NET EXPENDITURE	96,424	(308)	96,116	98,726	(2,610)	(2.7%)	(1,989)	(621)

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2023/24
1 April 2023 to 5 January 2024

POLICY BOARD : FINANCE, RESOURCES & CUSTOMER SERVICES

Objective Summary	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	(1,249)	1	(1,248)	(1,248)	0	0.0%	0	0
Audit Services	638	0	638	615	23	3.6%	23	0
Corporate Governance	3,070	(1)	3,069	3,053	16	0.5%	11	5
Digital, Transformation & Customer Services	22,002	(1)	22,001	21,988	13	0.1%	9	4
Finance and Procurement	5,765	0	5,765	5,762	3	0.1%	(7)	10
Business Services	9,112	(12)	9,100	9,103	(3)	0.0%	0	(3)
Housing Benefits	1,226	0	1,226	1,224	2	0.2%	2	0
People & Organisational Development	2,330	(93)	2,237	2,290	(53)	(2.4%)	(43)	(10)
Social care (non-delegated)	818	0	818	819	(1)	(0.1%)	5	(6)
NET EXPENDITURE	43,712	(106)	43,606	43,606	0	0.0%	0	0

Objective Heading	Key Reasons for Significant Projected Variances
Finance and Resources	While there are some minor variances projected within the service, Finance and Resources overall is forecast to break even by the end of the financial year.

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2023/24
1 April 2023 to 5 January 2024

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

Subjective Summary	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	34,736	(13)	34,723	34,651	72	0.2%	(5)	77
Premises Related	1,343	68	1,411	1,422	(11)	(0.8%)	(22)	11
Transport Related	127	0	127	114	13	10.2%	16	(3)
Supplies and Services	9,473	(2)	9,471	9,552	(81)	(0.9%)	(108)	27
Third Party Payments	1,875	0	1,875	1,853	22	1.2%	22	0
Transfer Payments	45,267	(2)	45,265	45,213	52	0.1%	41	11
Support Services	605	0	605	619	(14)	(2.3%)	9	(23)
Depreciation and Impairment Losses	0	0	0	0	0	0.0%	0	0
GROSS EXPENDITURE	93,426	51	93,477	93,424	53	7.7%	(47)	100
Income	(49,714)	(157)	(49,871)	(49,818)	(53)	(0.1%)	47	(100)
NET EXPENDITURE	43,712	(106)	43,606	43,606	0	0.0%	0	0

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2023/24
1 April 2023 to 5 January 2024

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

Objective Summary	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	(472)	0	(472)	(472)	0	0.0%	0	0
Public Building Repairs	3,883	54	3,937	6,141	(2,204)	(56.0%)	(1,557)	(647)
Soft Facilities Management Services	17,356	116	17,472	18,678	(1,206)	(6.9%)	(1,232)	26
Property Services	145	0	145	145	(0)	(0.2%)	0	(0)
NET EXPENDITURE	20,912	170	21,082	24,492	(3,410)	(16.2%)	(2,789)	(621)

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 impacts on the Housing Revenue Account and Public Building Repairs as the two main recharges of Building Services costs.
Public Building Repairs	There is an anticipated overspend being forecast for the service as a result of the expected deficit within Building Services, in addition to the inflationary and cost pressures currently being experienced by the service. This deficit will be allocated to both Public Building Repairs and HRA. A further review of the costs and the inflationary impact has resulted in the projected overspend increasing. The position continues to be closely monitored with mitigating action being taken by management, such as the move late last year to reduce the service to emergency repairs only.
Soft Facilities Management Services	As in the previous reporting period, the service is forecasting an anticipated overspend. This is largely due to an under-recovery of income, and inflationary pressure on the cost of provisions and cleaning materials, which is partially offset by vacancies across the service. The position will continue to be closely monitored with mitigating action being taken by Management where possible.

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2023/24
1 April 2023 to 5 January 2024

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

Subjective Summary	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	29,762	38	29,800	29,772	28	0.1%	201	(173)
Premises Related	3,386	70	3,456	5,076	(1,620)	(46.9%)	(873)	(747)
Transport Related	1,515	(1)	1,514	1,991	(477)	(31.5%)	(504)	27
Supplies and Services	9,868	678	10,546	11,691	(1,145)	(10.9%)	(4,483)	3,338
Third Party Payments	0	0	0	0	0	0.0%	0	0
Transfer Payments	123	0	123	115	8	6.8%	16	(8)
Support Services	985	(1)	984	969	15	1.5%	16	(1)
Depreciation and Impairment Losses	0	0	0	0	0	0.0%	0	0
GROSS EXPENDITURE	45,639	784	46,423	49,614	(3,191)	(6.9%)	(5,627)	2,436
Income	(24,727)	(614)	(25,341)	(25,123)	(218)	(0.9%)	2,838	(3,056)
NET EXPENDITURE	20,912	170	21,082	24,492	(3,410)	(16.2%)	(2,789)	(621)

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2023/24
1 April 2023 to 5 January 2024

POLICY BOARD : FINANCE, RESOURCES & CUSTOMER SERVICES - CHIEF EXECUTIVE'S SERVICE (ESTATES)

Subjective Summary	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	0	0	0	0	0	0.0%	0	0
Premises Related	1,101	(83)	1,018	1,018	0	0.0%	0	0
Transport Related	0	0	0	0	0	0.0%	0	0
Supplies and Services	4	0	4	4	0	0.0%	0	0
Third Party Payments	0	0	0	0	0	0.0%	0	0
Transfer Payments	66	0	66	66	0	0.0%	0	0
Support Services	0	0	0	0	0	0.0%	0	0
Depreciation and Impairment Losses	0	0	0	0	0	0.0%	0	0
GROSS EXPENDITURE	1,171	(83)	1,088	1,088	0	0.0%	0	0
Income	(1,366)	0	(1,366)	(1,366)	0	0.0%	0	0
NET EXPENDITURE	(195)	(83)	(278)	(278)	0	0.0%	0	0

Subjective Heading	Key Reasons for Significant Projected Variances
Chief Executive's Service (Estates)	No significant projected year end variances to report.

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2023/24
1 April 2023 to 5 January 2024

POLICY BOARD : FINANCE, RESOURCES & CUSTOMER SERVICES - MISCELLANEOUS

Subjective Summary	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	11,314	(411)	10,903	10,903	0	0.0%	0	0
Premises Related	5,862	(417)	5,445	5,445	0	0.0%	0	0
Transport Related	400	0	400	400	0	0.0%	0	0
Supplies and Services	10,152	0	10,152	10,152	0	0.0%	0	0
Third Party Payments	25	0	25	25	0	0.0%	0	0
Transfer Payments	11,520	539	12,059	11,259	800	6.6%	800	0
Support Services	(1,400)	0	(1,400)	(1,400)	0	0.0%	0	0
Depreciation and Impairment Losses	7,957	0	7,957	7,957	0	0.0%	0	0
GROSS EXPENDITURE	45,830	(289)	45,541	44,741	800	1.8%	800	0
Income	(13,835)	0	(13,835)	(13,835)	0	0.0%	0	0
NET EXPENDITURE	31,995	(289)	31,706	30,906	800	2.5%	800	0

Subjective Heading	Key Reasons for Significant Projected Variances
Miscellaneous Services	The forecast underspend of £0.8m relates to anticipated uptake of Council Tax Reduction for 2023/24. Some of this will be earmarked and carried into 2024/25 to deliver budget decisions on Scottish Welfare Fund and Winter School Clothing funding.

RENFREWSHIRE COUNCIL
CAPITAL INVESTMENT STRATEGY - NON-HOUSING SERVICES
1 April 2023 to 5 January 2024
POLICY BOARD: FINANCE, RESOURCES & CUSTOMER SERVICES

Project Title	Prior Years' Expenditure to 31/03/2023 £000	Current Year 2023/24						Full Programme - All years					
		Budget at P8 2023/24 £000	Budget Adjustments 2023/24 £000	Revised Budget 2023/24 £000	Projected Outturn 2023/24 £000	Budget Variance (Adverse) or Favourable £000 %		Total Approved Budget to 31-Mar-27 £000	Projected Outturn to 31-Mar-27 £000	Budget Variance (Adverse) or Favourable £000 %			
CORPORATE PROJECTS													
ICT Infrastructure Maintenance & Renewal Programme	0	1,916	0	1,916	1,916	0	0%	3,516	3,516	0	0%		
Energy Efficiency Programme	0	66	0	66	66	0	0%	66	66	0	0%		
Lifecycle Capital Maintenance (LCM) Fund	0	4,793	853	5,646	5,646	0	0%	14,179	14,179	0	0%		
Artificial Pitch Upgrades	741	1,059	0	1,059	1,059	0	0%	1,800	1,800	0	0%		
Digital Infrastructure Provision	1,904	32	0	32	32	0	0%	1,936	1,936	0	0%		
Community Empowerment Fund	399	552	0	552	552	0	0%	951	951	0	0%		
Greenspaces and Parks	1,223	0	0	0	0	0	0%	1,224	1,224	0	0%		
Villages Improvement Fund	53	297	0	297	297	0	0%	550	550	0	0%		
Retail Improvement Fund	23	127	0	127	127	0	0%	150	150	0	0%		
TOTAL FINANCE, RESOURCES & CUSTOMER SERVICES POLICY BOARD	4,343	8,842	853	9,695	9,695	0	0%	24,372	24,372	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.