
To: Infrastructure, Land and Environment Policy Board

On: 31 August 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 24 June 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 £2.350m (7.3%) 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.
- 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 Core £000	Total Projected Outturn £000	Budget Variance (Adv)/Fav £000	Budget Variance %
Environment & Infrastructure	30,597	32,947	32,947	(2,350)	-7.7%
Communities and Housing (Regulatory Services)	1,775	1,775	1,775	0	0.0%
Total	32,372	34,722	34,722	(2,350)	-7.3%

Table 2: Capital					
Division	Revised Annual Budget £000	Projected Outturn Core £000	Total Projected Outturn £000	Budget Variance £000	Budget Variance %
Environment and Infrastructure	21,273	21,273	21,273	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 £2.350m (7.3% 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 FARCS 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 and 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.

4. Revenue Budget Adjustments

- 4.1 Budget adjustments totalling £564,000 and in the main relate to the Clyde Valley Waste indexation increase (£300k) and a non recurring allocation in

relation to fly tipping (£162k) as agreed by Council in March 2022. The remainder are related to smaller budget adjustments.

5. Capital

- 5.1. The Capital Investment Programme 2022/23 to 2026/27 was approved by the Council on 3rd March 2022.
- 5.2. The Capital Monitoring report at Appendix 2 indicates adjustments in the approved capital programme of £3.590m. This mainly arises to reflect new grant funding and budget brought forward from 2021/22.
- 5.3. The projected out turn at 31 March 2023 is for a breakeven position. The Active Travel Route from Renfrew Riverside to Paisley Town Centre has incurred costs of £0.758m above the original budget. However, £0.558m of this will be met by grant funding within the C.W.S.S and Strathclyde Passenger Transport. An underspend of £0.200m within the Bridge Strengthening programme in relation to Wright Street will result in an overall breakeven position.
- 5.4. 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 £3.590m have arisen which reflect the following:

Net budget reprofiled from 2021-22 to 2022-23 (£1.660m) to reflect updated cash flows for the following projects;

- Roads Footways (-£0.028m);
- Safe Road Crossing (£0.191m);
- Vehicle Replacement Programme (£0.093m);
- Bridge Assessment/Strengthening (£0.038m);
- Light Columns Replacement (£0.404m);
- Traffic Management (£0.083m);
- Parks Improvement Programme (£0.097m);
- Improvement to Outdoor Access (£0.355m);
- Improvements to Cemetery Estate (£0.79m);
- Underwood Road Depot Improvements (£0.002m);
- Renfrew Riverside to Paisley Travel Route (£0.032m);
- Renewal of Play Parks (£0.158m);
- Nature Restoration Fund (£0.156m).

Budget Increases in 2022-23 (£1.830m):

- Cycle Walking Safer Streets (£0.364m) for increase in Scottish Government grant funding;
- Vehicle replacement Programme (£0.060m) for Transport Scotland grant for electric vehicle charging infrastructure;
- Recycle Improvement Fund (£0.346m) for grant awarded by Zero Waste Scotland for recycling infrastructure and equipment;
- Strathclyde Passenger Transport Grant (£1.060m).

Budget Transfers in 2022-23 (£0.100m)

- Improvement to Cemetery Estate (£0.100m) transferred from Strategic Asset Management Fund as approved by Council on 3rd March 2022.

Implications of this report

1. **Financial** – The projected budget outturn position for Infrastructure, Land and Environment Revenue budget is an overspend of £2.350m.

The projected outturn position for Infrastructure, Land and Environment Services' Capital budget is an overspend of £0.758m. 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 3rd March 2022

The Capital Investment Programme 2022/23 to 2026/27 approved on the Council on 3rd March 2022.

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

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2022/23
1 April 2022 to 24 June 2022

POLICY BOARD : INFRASTRUCTURE, LAND AND ENVIRONMENT

Objective Summary	Approved Annual Budget	Budget Adjustments	Revised Annual Budget P3	Projected Outturn Core Business	Total Projected Outturn	Budget Variance (Adverse) or Favourable		Previous Projected Outturn Variance	Movement
	£000	£000	£000	£000	£000	£000	%	£000	£000
Directorate and Service Co-ordination	1,244	0	1,244	1,244	1,244	0	0.0%		0
Refuse Collection	5,304	(71)	5,233	6,632	6,632	(1,399)	(26.7%)		(1,399)
Household Waste Recycling Centres	686	80	766	892	892	(126)	(16.4%)		(126)
Refuse Disposal	7,266	336	7,602	7,450	7,450	152	2.0%		152
Streetscene	5,877	162	6,039	6,070	6,070	(31)	(0.5%)		(31)
Sustainability and Place	602	0	602	573	573	29	4.8%		29
Fleet Services	(177)	0	(177)	(159)	(159)	(18)	(10.2%)		(18)
Social Transport	1,719	0	1,719	1,599	1,599	120	7.0%		120
Roads Operations	2,542	109	2,651	2,752	2,752	(101)	(3.8%)		(101)
Infrastructure and Assets	1,887	0	1,887	1,864	1,864	23	1.2%		23
Transportation & Development	1,103	(109)	994	994	994	0	0.0%		0
Parking of Vehicles	(1,131)	0	(1,131)	(132)	(132)	(999)	(88.3%)		(999)
Strathclyde Partnership for Transport Requisition	3,168	0	3,168	3,168	3,168	0	0.0%		0
Regulatory Services	1,718	57	1,775	1,775	1,775	0	0.0%		0
NET EXPENDITURE	31,808	564	32,372	34,722	34,722	(2,350)	(7.3%)	0	(2,351)

Objective Heading	Key Reasons for Projected Variance
Refuse Collection	The over spend in the main relates to increased costs relating to fuel cost increases. There is also an expected overspend on the supply of household bins which is partly due to increased prices and reduced demand in special uplift income. In addition, due to high levels annual leave carried forward as a result of the pandemic, additional overtime is being incurred in order to cover this from an operational perspective.
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.
Social Transport	Due to a reduction in social transport requirements, it is expected that the service will underspend this financial year. 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
REVENUE BUDGET MONITORING STATEMENT 2022/23
1 April 2022 to 24 June 2022

POLICY BOARD : INFRASTRUCTURE, LAND AND ENVIRONMENT

Subjective Summary	Approved Annual Budget	Budget Adjustments	Revised Annual Budget P3	Projected Outturn Core Business	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
Employees	22,738	341	23,079	23,485	23,485	(406)	(1.8%)		(408)
Premises Related	1,089	0	1,089	1,190	1,190	(101)	(9.3%)		(101)
Transport Related	5,970	70	6,040	7,125	7,125	(1,085)	(18.0%)		(1,085)
Supplies and Services	12,130	226	12,356	12,870	12,870	(514)	(4.2%)		(514)
Third Party Payments	3,200	(3)	3,197	3,198	3,198	(1)	0.0%		(1)
Transfer Payments	111	0	111	126	126	(15)	(13.7%)		(15)
Support Services	39	0	39	44	44	(5)	(13.1%)		(5)
Depreciation and Impairment Losses	0	0	0	0	0	0	0.0%		0
GROSS EXPENDITURE	45,277	634	45,911	48,038	48,038	(2,127)	(4.6%)	0	(2,129)
Income	(13,469)	(70)	(13,539)	(13,316)	(13,316)	(223)	(1.6%)		(223)
NET EXPENDITURE	31,808	564	32,372	34,722	34,722	(2,350)	(7.3%)	0	(2,351)

RENFREWSHIRE COUNCIL
CAPITAL INVESTMENT STRATEGY - NON-HOUSING SERVICES
1st April to 24th June 2022
POLICY BOARD: INFRASTRUCTURE, LAND & ENVIRONMENT

Project Title	Prior Years Expenditure to 31/03/2022* £000	Current Year 2022-23						Full Programme - All years			
		Approved Budget 2022-23 £000	Budget Adjustments in 2022-23 £000	Revised Budget 2022-23 £000	Projected Outturn 2022-23 £000	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	
ENVIRONMENT & INFRASTRUCTURE											
Cycling, Walking & Safer Streets (Funded by Specific Con	0	785	364	1,149	1,149	0	0%	1,399	1,399	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	153	2,410	2,410	0	0%	2,409	2,409	0	0%
Bridge Assessment/Strengthening	0	481	38	519	319	200	39%	520	320	200	38%
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 Active Travel Route	33	970	32	1,002	1,202	(200)	-20%	1,035	1,235	-200	-19%
Renewal of Play Parks	0	0	158	158	158	0	0%	158	158	0	0%
Nature Restoration Fund	1	0	156	156	156	0	0%	157	157	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%
TOTAL INFRASTRUCTURE, LAND & ENVIRONMENT BOARD	19,745	17,683	3,590	21,273	21,273	0	0%	53,824	53,824	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.

Objective Heading	Key Reasons for Potential Variance
Clyde Mission Fund - Renfrew Riverside to Paisley TC Active Travel Route	The volume of material to be removed from the site was greater than originally estimated resulting in costs £758k above original estimate. These costs will be met by grant funding from CWSS and SPT as well as an underspend in the Bridge Strengthening project for works at Wright Street.