
To: **FINANCE, RESOURCES & CUSTOMER SERVICES POLICY BOARD**

On: **31 JANUARY 2018**

Report by: **Director of Finance and Resources**

Heading: **Capital Budget Monitoring Report**

1. **Summary**

- 1.1 Capital expenditure to 10th November 2017 totals £3.802m compared to anticipated expenditure of £3.810m for this time of year. This results in an under-spend position of £0.008m for those services reporting to this board, and is summarised in the table below:

Division	Current Reported Position	% Variance	Previously Reported Position	% Variance
Corporate Issues	£0.008m u/spend	0% u/spend	£0.075m u/spend	3% u/spend
Total	£0.008m u/spend	0% u/spend	£0.075m u/spend	3% o/spend

- 1.2 The expenditure total of £3.802m represents 43% of the resources available to fund the projects being reported to this board. Appendix 1 provides further information on the budget monitoring position of the projects within the remit of this board.

2. **Recommendations**

- 2.1 It is recommended that Members note this report.

3. **Background**

- 3.1 This report has been prepared by the Director of Finance and Resources in conjunction with the Chief Executive.
- 3.2 This capital budget monitoring report details the performance of the Capital Programme to 10th November 2017, and is based on the Capital Investment Programme which was approved by members on 23rd February 2017, adjusted for movements since its approval.

4. **Budget Changes**

- 4.1 Since the last report budget changes totalling £7.837m has arisen which reflects the following:-

Budget re-profiled from 2017/18 to 2018/19 (£7.817m):

- £6.000m in Venue Development Backlog reflecting the programme of investment in venues and town centre infrastructure approved by Council on 28 September 2017.
- £1.156m in the Lifecycle Capital Maintenance Fund reflecting updated cashflows received.
- £0.661m in the Energy Efficiency Programme as a result of the current cashflow projections for the project.

Budget transferred in 2017/18 from the Lifecycle Capital Maintenance Fund (£0.020m) reflecting a transfer towards the St John Ogilvie New Extension project.

5. **Key Issues**

- 5.1 The implementation plan for the Enterprise Resource Planning project is currently being assessed following a review of work carried out to date and work still to be completed. This assessment is not finalised, however it is anticipated that go-live of the system will be delayed potentially until September 2018 – a delay of around a year from what was initially planned in this ambitious and challenging project. Similar to all large scale projects undertaken by the Council, the project budget included contingency to manage key risks and unforeseen challenges and issues. However in the context of the time delay being experienced on the project, the existing budget provision is under significant pressure and it is not anticipated at this stage to be sufficient to support the project through to full implementation. The scale of the anticipated additional resources that will be required to support implementation will be identified over the coming weeks as the review of the

implementation plan is concluded along with key engagement with the system supplier, Agilysis. The outcome of both the revised go-live date and the associated financial implications will be reported to the board in the next reporting cycle and prior to the closure of the Council's 2017/18 accounts.

Implications of the Report

1. **Financial** – The programme will be continually monitored, in conjunction with other programmes, to ensure that the available resources are fully utilised and that approved limits are achieved.
2. **HR & Organisational Development** – none.
3. **Community Planning** –

Creating a sustainable Renfrewshire for all to enjoy – Capital investment in new and existing assets will ensure Renfrewshire is more energy efficient.
4. **Legal** – none.
5. **Property/Assets** – none.
6. **Information Technology** – none.
7. **Equality & 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 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.
8. **Health & Safety** – none.
9. **Procurement** – none.
10. **Risk** – none.
11. **Privacy Impact** – none.
12. **Cosla Policy Position** – none.

List of Background Papers

- (a). Capital Investment Programme 2017/18 & 2018/19 – Council, 23rd February 2017.

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Finance, Resources & Customer Services - Appendix 1

RENFREWSHIRE COUNCIL

CAPITAL INVESTMENT STRATEGY - NON-HOUSING SERVICES

BUDGET MONITORING REPORT

BOARD: FINANCE, RESOURCES & CUSTOMER SERVICES

Project Title	Approved Programme @23/02/17	Current Programme MR 8	Year To Date Budget to 10-Nov-17	Cash Spent to 10-Nov-17	Variance to 10-Nov-17	% Variance	Cash to be Spent by 31-Mar-18	% Cash Spent
CORPORATE PROJECTS								
ICT Infrastructure Maintenance & Renewal Programme	1,400	1,707	690	698	-8	-1%	1,009	41%
Corporate Asset Management Information System	0	38	0	0	0	0%	38	0%
RVJB - Council Requisition (56.2%)	0	23	7	7	0	0%	16	30%
Strategic Asset Management Fund	1,841	0	0	0	0	0%	0	-
Venue Development & Backlog Maintenance	6,000	0	0	0	0	0%	0	-
Energy Efficiency Programme	0	200	18	18	0	0%	182	9%
Lifecycle Capital Maintenance (LCM) Fund	6,435	3,556	1,620	1,615	5	0%	1,941	45%
Enterprise Resource Planning	1,512	2,982	1,345	1,334	11	1%	1,648	45%
Digital Infrastructure Provision	0	300	130	130	0	0%	170	43%
TOTAL FINANCE, RESOURCES & CUSTOMER SERVICES	17,188	8,806	3,810	3,802	8	0%	5,004	43%