
To: Finance, Resources and Customer Services Policy Board

On: 30 March 2022

Report by: Director of Finance and Resources

Heading: Revenue and Capital Budget Monitoring as at 7 January 2022

1. Summary of Financial Position

- 1.1. The projected Revenue outturn at 31 March 2022 for Finance, Resources and Customer Services is an underspend position of £3.587m (3.7%) against the revised budget for the year.
- 1.2. The projected Capital outturn at 31 March 2022 for Finance, Resources and Customer Services 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.
- 1.4. For the financial year 2021/22, the projected outturn position is split into Core (or business as usual) and COVID-19 related variances to help readers understand the impact of the pandemic on service finances.

Division	Revised Annual Budget £000	Projected Outturn Core £000	Projected Outturn COVID-19 £000	Total Projected Outturn £000	Budget Variance (Adv)/Fav £000	Budget Variance %
Finance and Resources	£38,449	£37,593	£489	£38,082	£367	-1.0%
Environment and Infrastructure	£18,095	£17,868	£907	£18,775	(£680)	3.8%
Miscellaneous	£40,744	£36,844	£0	£36,844	£3,900	-9.6%
Total	£97,288	£92,305	£1,396	£93,701	£3,587	-3.7%

Table 2: Capital

Division	Revised Annual Budget £000	Projected Outturn Core £000	Projected Outturn COVID-19 £000	Total Projected Outturn £000	Budget Variance (Adv)/Fav £000	Budget Variance %
Finance, Resources and Customer Services, including Environment and Infrastructure	£4,363	£4,363	£0	£4,363	£0	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 underspend of £3.587m (3.7% of total budget) for Finance, Resources and Customer Services. Detailed division service reports can be found at the end of this report, along with an explanation of each significant projected variance.
- 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 reason 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 £4.476m have been processed since the last report, with significant movement as follows:
 - £2.689m transferred into Finance and Resources in relation to Low Income Pandemic Payment funding received;
 - £0.925m transferred into Miscellaneous Services related to COVID-19 funding made available by the Scottish Government for Self-Isolation Assistance and Financial Insecurity payments;

- £0.769m transferred into Miscellaneous Services related to COVID-19 funding made available by the Scottish Government for Family Pandemic Support payments.

5. Capital

- 5.1. The Capital Investment Programme 2021/22 to 2025/26 was approved by the Council on 4 March 2021. For Finance, Resources and Customer Services the approved capital spend for 2021/22 is £4.363m (£5.062m at Period 8).
- 5.2. The budget movement results from reprofiling in the approved capital programme for Finance, Resources and Customer Services for the year, of £0.699m. This arises from updated cashflows for ICT Infrastructure. Further detail can be found at Appendix 2.

6. Capital Budget Adjustments

- 6.1. Since the last report, budget changes totalling £0.699m have arisen, which reflect the following:
 - Budget carried forward from 2021/22 to 2022/23 (£0.699m):
 - ICT Infrastructure and Renewal (£0.699m) to reflect expected timings of core infrastructure upgrades and delivery dates for new equipment.

Implications of this report

1. **Financial** – The projected budget outturn position for Finance, Resources and Customer Services' Revenue budget is an underspend of £3.587m. 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.

List of Background Papers

Revenue Budget and Council Tax 2021/22. Council, 4 March 2021.

Non-Housing Capital Investment Programme, Prudential Framework and Treasury Management Strategy, and Capital Strategy 2021/22 – 2025/26. Council, 4 March 2021.

Authors: Christine McCourt / Kevin Festorazzi / Geoff Borland

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2021/22
1 April 2021 to 7 January 2022

POLICY BOARD : FINANCE, RESOURCES & CUSTOMER SERVICES

Objective Summary	Revised Annual Budget at P8	Budget Adjustments	Revised Annual Budget	Projected Outturn Core Business	Projected Outturn COVID-19	Total Projected Outturn	Budget Variance (Adverse) or Favourable		Previous Projected Outturn Variance	Movement
	£000	£000	£000	£000	£000	£000	£000	%	£000	£000
Finance and Resources	35,742	2,707	38,449	37,593	489	38,082	367	1.0%	60	307
Environment and Infrastructure	18,077	18	18,095	17,868	907	18,775	(680)	(3.8%)	(652)	(28)
Miscellaneous	38,993	1,751	40,744	36,844	0	36,844	3,900	9.6%	0	3,900
NET EXPENDITURE	92,812	4,476	97,288	92,305	1,396	93,701	3,587	3.7%	(592)	4,179

Subjective Summary	Revised Annual Budget at P8	Budget Adjustments	Revised Annual Budget	Projected Outturn Core Business	Projected Outturn COVID-19	Total Projected Outturn	Budget Variance (Adverse) or Favourable		Previous Projected Outturn Variance	Movement
	£000	£000	£000	£000	£000	£000	£000	%	£000	£000
Employees	84,021	1	84,022	83,890	945	84,835	(813)	(1.0%)	(895)	82
Premises Related	8,633	23	8,656	8,636	0	8,636	20	0.2%	11	9
Transport Related	1,273	0	1,273	1,628	0	1,628	(355)	(27.9%)	(343)	(12)
Supplies and Services	19,968	990	20,958	21,418	(98)	21,320	(362)	(1.7%)	(352)	(10)
Third Party Payments	1,904	1	1,905	1,899	0	1,899	6	0.3%	5	1
Transfer Payments	52,231	3,463	55,694	55,792	0	55,792	(98)	(0.2%)	(148)	51
Support Services	5,634	(2)	5,632	5,587	0	5,587	45	0.8%	42	3
Depreciation and Impairment Losses	14,807	0	14,807	14,807	0	14,807	0	0.0%	0	0
GROSS EXPENDITURE	188,471	4,476	192,947	193,655	847	194,503	(1,556)	(0.8%)	(1,680)	124
Income	(95,659)	0	(95,659)	(101,351)	549	(100,802)	5,143	5.4%	1,088	4,055
NET EXPENDITURE	92,812	4,476	97,288	92,304	1,396	93,701	3,587	3.7%	(592)	4,179

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2021/22
1 April 2021 to 7 January 2022

POLICY BOARD : FINANCE, RESOURCES & CUSTOMER SERVICES

Objective Summary	Revised Annual Budget at P8	Budget Adjustments	Revised Annual Budget	Projected Outturn Core Business	Projected Outturn COVID-19	Total Projected Outturn	Budget Variance (Adverse) or Favourable		Previous Projected Outturn Variance	Movement
	£000	£000	£000	£000	£000	£000	£000	%	£000	£000
Finance and Resources Directorate	(359)	(2)	(361)	(366)	0	(366)	5	1.4%	4	1
Audit Services	590	0	590	563	0	563	27	4.6%	15	12
Corporate Governance	3,050	0	3,050	2,850	15	2,865	185	6.1%	169	16
Digital, Transformation & Customer Services	20,187	20	20,207	19,849	310	20,159	48	0.2%	(132)	180
Finance and Business Services	8,234	2,689	10,923	10,588	164	10,752	171	1.6%	134	37
Housing Benefits	1,659	0	1,659	1,759	0	1,759	(100)	(6.0%)	(100)	0
People & Organisational Development	1,696	0	1,696	1,730	0	1,730	(34)	(2.0%)	(93)	59
Property Services	(133)	0	(133)	(133)	0	(133)	0	0.0%	1	(1)
Social care (non-delegated)	818	0	818	753	0	753	65	7.9%	62	3
NET EXPENDITURE	35,742	2,707	38,449	37,593	489	38,082	367	1.0%	60	307

Objective Heading	Key Reasons for Significant Projected Variances
Corporate Governance	COVID-19 projection relates to reduced income in the Registration and Licensing functions, primarily due to a decrease in the number of weddings taking place, and a reduction in the number of taxi licences being applied for.
Digital, Transformation & Customer Services	Projected underspend is primarily due to software cost savings. Anticipated overspends in telephony costs are offset by staff savings due to vacancies. The COVID-19 projected overspend relates to staff overtime and supplies related to remote working and other adaptations
Finance and Business Services	The budget adjustment relates to an allocation of funding for Low Income Pandemic Payments in Business Services. The projected COVID-19 overspend relates to lower Statutory Addition income anticipated for Council Tax and Non-Domestic Rates. This is offset by staff savings due to vacancies.
Housing Benefits	An overspend is projected in relation to overpayments of Housing Benefits, based on prior year trends.
Social care (non-delegated)	The projected underspend relates largely to savings in lunch club supplies and underspends in service charges

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2021/22
1 April 2021 to 7 January 2022

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

Subjective Summary	Revised Annual Budget at P8	Budget Adjustments	Revised Annual Budget	Projected Outturn Core Business	Projected Outturn COVID-19	Total Projected Outturn	Budget Variance (Adverse) or Favourable		Previous Projected Outturn Variance	Movement
	£000	£000	£000	£000	£000	£000	£000	%	£000	£000
Employees	32,321	53	32,374	32,535	288	32,823	(449)	(1.4%)	(666)	217
Premises Related	2,643	0	2,643	2,580	0	2,580	63	2.4%	54	9
Transport Related	76	0	76	46	0	46	30	39.5%	29	1
Supplies and Services	8,894	17	8,911	8,182	22	8,204	707	7.9%	593	114
Third Party Payments	1,652	0	1,652	1,647	0	1,647	5	0.3%	4	1
Transfer Payments	51,345	2,637	53,982	54,049	0	54,049	(67)	(0.1%)	(110)	43
Support Services	568	(1)	567	513	0	513	54	9.5%	51	3
Depreciation and Impairment Losses	0	0	0	0	0	0	0	0.0%	0	0
GROSS EXPENDITURE	97,499	2,706	100,205	99,552	310	99,862	343	58.1%	(45)	388
Income	(61,757)	1	(61,756)	(61,959)	179	(61,780)	24	0.0%	105	(81)
NET EXPENDITURE	35,742	2,707	38,449	37,593	489	38,082	367	1.0%	60	307

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2021/22
1 April 2021 to 7 January 2022

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

Objective Summary	Revised Annual Budget at P8	Budget Adjustments	Revised Annual Budget	Projected Outturn Core Business	Projected Outturn COVID-19	Total Projected Outturn	Budget Variance (Adverse) or Favourable		Previous Projected Outturn Variance	Movement
	£000	£000	£000	£000	£000	£000	£000	%	£000	£000
Building Services	(265)	0	(265)	(51)	179	128	(393)	148.3%	(390)	(3)
Street Lighting Maintenance Work	373	0	373	532	0	532	(159)	(42.6%)	(162)	3
Public Building Repairs	3,815	26	3,841	3,840	0	3,840	1	0.0%	0	1
Soft Facilities Management Services	14,154	(8)	14,146	13,547	728	14,275	(129)	(0.9%)	(100)	(29)
NET EXPENDITURE	18,077	18	18,095	17,868	907	18,775	(680)	(3.8%)	(652)	(28)

Objective Heading	Key Reasons for Significant Projected Variances
Building Services	The price of materials has increased significantly due to supply issues because of the ongoing pandemic. In addition the service is having to hire significant numbers of vehicles, due to the increased downtime of the aging fleet. The cost of both materials and vehicle hire is fluctuating significantly, and the costs of both may increase further.
Street Lighting Maintenance Work	There is a projected overspend on repairs and maintenance of street lighting columns due to increased cost of materials, which will be monitored closely for the remainder of the year.

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2021/22
1 April 2021 to 7 January 2022

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

Subjective Summary	Revised Annual Budget at P8	Budget Adjustments	Revised Annual Budget	Projected Outturn Core Business	Projected Outturn COVID-19	Total Projected Outturn	Budget Variance (Adverse) or Favourable		Previous Projected Outturn Variance	Movement
	£000	£000	£000	£000	£000	£000	£000	%	£000	£000
Employees	24,194	(55)	24,139	23,849	657	24,506	(367)	(1.5%)	(230)	(137)
Premises Related	3,269	24	3,293	3,335	0	3,335	(42)	(1.3%)	(42)	0
Transport Related	1,185	0	1,185	1,570	0	1,570	(385)	(32.5%)	(372)	(13)
Supplies and Services	9,019	49	9,068	10,256	(120)	10,136	(1,068)	(11.8%)	(944)	(124)
Third Party Payments	0	0	0	0	0	0	0	0.0%	0	0
Transfer Payments	4	0	4	35	0	35	(31)	(762.5%)	(39)	9
Support Services	1,074	0	1,074	1,082	0	1,082	(8)	(0.8%)	(8)	0
Depreciation and Impairment Losses	0	0	0	(0)	0	(0)	0	0.0%	0	0
GROSS EXPENDITURE	38,745	18	38,763	40,125	537	40,663	(1,900)	(4.9%)	(1,635)	(265)
Income	(20,668)	0	(20,668)	(22,258)	370	(21,888)	1,220	5.9%	983	237
NET EXPENDITURE	18,077	18	18,095	17,867	907	18,775	(680)	(3.8%)	(652)	(28)

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2021/22
1 April 2021 to 7 January 2022

POLICY BOARD : FINANCE, RESOURCES & CUSTOMER SERVICES - MISCELLANEOUS

Subjective Summary	Revised Annual Budget at P8	Budget Adjustments	Revised Annual Budget	Projected Outturn Core Business	Projected Outturn COVID-19	Total Projected Outturn	Budget Variance (Adverse) or Favourable		Previous Projected Outturn Variance	Movement
	£000	£000	£000	£000	£000	£000	£000	%	£000	£000
Employees	27,506	0	27,506	27,506	0	27,506	0	0.0%	0	0
Premises Related	2,721	0	2,721	2,721	0	2,721	0	0.0%	0	0
Transport Related	12	0	12	12	0	12	0	0.0%	0	0
Supplies and Services	2,055	925	2,980	2,980	0	2,980	0	0.0%	0	0
Third Party Payments	252	0	252	252	0	252	0	0.0%	0	0
Transfer Payments	882	826	1,708	1,708	0	1,708	0	0.0%	0	0
Support Services	3,992	0	3,992	3,992	0	3,992	0	0.0%	0	0
Depreciation and Impairment Losses	14,807	0	14,807	14,807	0	14,807	0	0.0%	0	0
GROSS EXPENDITURE	52,227	1,751	53,978	53,978	0	53,978	0	0.0%	0	0
Income	(13,234)	0	(13,234)	(17,134)	0	(17,134)	3,900	29.5%	0	3,900
NET EXPENDITURE	38,993	1,751	40,744	36,844	0	36,844	3,900	9.6%	0	3,900

Subjective Heading	Key Reasons for Significant Projected Variances
Budget Adjustments	Budget adjustments of £1.75m relate to the receipt of COVID-19 funding from the Scottish Government in respect of Self-Isolation Assistance, Financial Insecurity and Family Pandemic Support. Projected underspend relates to additional COVID funding received and not allocated to services.

RENFREWSHIRE COUNCIL
CAPITAL BUDGET MONITORING STATEMENT 2021/2022
1 April 2021 to 7 January 2022

POLICY BOARD : FINANCE, RESOURCES & CUSTOMER SERVICES

Project Title	Current Year 2021/22						Programme - All years				
	Prior Years Expenditure to 31/03/2021*	Approved Budget 2021/22	Budget Adjustments 2021/22	Revised Budget 2021/22	Projected Outturn 2021/22	Budget Variance (Adverse) or Favourable		Total Approved Budget to 31 March 2026	Projected Outturn to 31 March 2025	Budget Variance (Adverse) or Favourable	
	£000	£000	£000	£000	£000	£000	%	£000	£000	£000	%
CORPORATE PROJECTS											
ICT Infrastructure Maint & Renewal Programme	0	1,955	-552	1,403	1,403	0	0%	3,988	3,988	0	0%
Strategic Asset Management Fund	0	2,500	-2,500	0	0	0	0%	0	0	0	0%
Energy Efficiency Programme	0	147	-102	45	45	0	0%	147	147	0	0%
Lifecycle Capital Maintenance (LCM) Fund	0	5,663	-3,734	1,929	1,929	0	0%	9,652	9,652	0	0%
Digital Infrastructure Provision	1,936	300	-300	0	0	0	0%	1,936	1,936	0	0%
Community Empowerment Fund	124	534	0	534	534	0	0%	951	951	0	0%
Greenspaces and Parks	396	442	-140	302	302	0	0%	936	936	0	0%
Villages Improvement Fund	0	150	0	150	150	0	0%	150	150	0	0%
TOTAL	2,456	11,691	-7,328	4,363	4,363	0	0%	17,760	17,760	0	0%

*Rolling programmes have a prior 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 Significant Projected Variances