



To: Infrastructure Land & Environment Policy Board

On: 21 January 2026

**Report by: Director of Finance and Resources
Director of Environment, Housing & Infrastructure**

Heading: Revenue and Capital Budget Monitoring 2025/26 at 14 November 2025

1. Summary

- 1.1 At the close of reporting Period 8 on 14 November 2025, the projected revenue outturn at 31 March 2026 for those services reporting to the Infrastructure, Land and Environment Policy Board is an overspend position of £0.380m (1.0%) against the revised budget for the year.
- 1.2 The projected capital outturn at 31 March 2026 for projects reporting to the Infrastructure, Land and Environment 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 report and appendices.

	Revised Annual Budget £000	Projected Outturn £000	Budget Variance (Adv)/Fav £000	Budget Variance %
Revenue				
Environment & Infrastructure	39,765	40,145	(380)	(1.0%)
Total	39,765	40,145	(380)	(1.0%)
Capital				
Environment & Infrastructure	16,625	16,625	0	0.0%

2. Recommendations

It is recommended that the Infrastructure, Land and Environment Policy Board:

- 2.1 Note the projected Revenue outturn overspend position of £0.380m.
 - 2.2 Note the projected Capital outturn break-even position.
 - 2.3 Note the budget adjustments in appendix 1 and 2.
 - 2.4 Approve the budget adjustments proposed at section 6.3.
-

3. Revenue Budget Projection – overspend of £0.380m by 31 March 2026

- 3.1 The tables in Appendices 1 and 2 present the projected year-end position for all services reporting to this board, by both objective analysis (which division is spending the budget – appendix 1) and subjective analysis (what the budget is spent on – appendix 2). Material variances affecting the projected position are analysed further below.
- 3.2 It should be noted that the projected outturn position reported here is based on the latest information available, which is subject to change during the financial year. The impact of any change on this projection will be updated at each board cycle until the close of reporting period 10. Budget holders are obliged to seek mitigating action to minimise significant budget variances.

4. Objective Analysis – Significant Variances

Environment, Housing, and Infrastructure – (£0.380m) overspend

4.1 Waste Services – (£0.342m) overspend by 31 March 2026

- 4.1.1 This reflects the financial position for Refuse Collection, Refuse Disposal and Household Waste Recycling Centres.
- 4.1.2 The overspend for Refuse Collection (£276k) is primarily driven by increased staff costs resulting from higher levels of workforce absence, which create significant operational challenges. The increase in unplanned leave has required additional measures to maintain service delivery, including:
 - Overtime Costs: covering essential shifts through overtime by available staff.
 - Agency Staff: engaging external resources to ensure continuity of critical frontline services.

The increase in absence is significant, with an average of 25% absent per day across the financial period. We are actively implementing measures to mitigate these challenges, including to ensure the Councils Absence Management Policy is applied consistently.

- 4.1.3 The service continues to closely monitor the potential impact of inflationary pressures and contractual uplifts on the projected outturn.

4.2 Social Transport – (£0.158m) overspend by 31 March 2026

- 4.2.1 The projected overspend has decreased slightly since the previous board report. The overspend sits within employee costs due to the need to hire agency staff to cover long-term sickness absence and vacancies.
- 4.2.2 The service is adhering to the Council's policies and procedures regarding absence management and is actively working with HR to effectively manage the current long-term sickness within the team. However, this situation is impacting the financial position of the service, as there is an ongoing need to rely heavily on agency staff to maintain service levels.
- 4.2.3 Finance, as part of the annual budget process are currently reviewing the cost to operate the service against available budget provided by Education and HSCP to ensure that they accurately reflect the services required by Education and HSCP (from 2026/27 onwards).

4.3 Roads Operations – £0.111m underspend by 31 March 2026

The reported underspend is primarily due to the projected spend relating to work by contractors being lower than anticipated. Given the reactive nature of the service and the potential impact of any inflationary changes, this will continue to be closely monitored throughout the financial year.

5. Subjective Analysis – Significant Variances

5.1 Employee Costs – (£0.094m) overspend by 31 March 2026

As noted in point 4.1.2, this variance is due to the cost of covering higher levels of unplanned absence within Refuse Collection.

5.2 Supplies and Services – (£0.757m) overspend by 31 March 2026

- 5.2.1 The main movement relates to a £200k increase in Bitumen costs within Roads Operations, which has been fully offset by income as these costs were recharged to capital. Additionally, Fleet Services has seen a £132k rise in material costs, which has been partially offset by a £62k increase within recharge income. Virement will be carried out to adjust both Supplies and Services and Income budgets accordingly.

5.2.2 As per the previous report, the remaining balance of the overspend is primarily driven by inflation across three key service areas: Neighbourhood Services (£0.134m), Infrastructure and Assets (£0.070m), and Refuse Disposal (£0.154m). The increased costs are largely due to rising prices for contractor services, materials, and related services.

5.3 Income – £0.523m over recovery by 31 March 2026

As noted in point 5.2.1, income has increased by £200k for capital recharges within Roads Operations and by £62k for recharges within Fleet Services. In addition, Refuse Collection has seen a £128k rise in trade waste income.

6. Revenue Budget Virements

- 6.1. Under the Council's financial regulations, Directors and their nominated officers, in consultation with the Director of Finance and Resources, have certain delegated authority to transfer sums between subjective budget headings within a service division to enable budget management throughout the financial year. This is known as 'budget virement'.
- 6.2. Transfers between divisions of the same service / department in excess of £100,000, and transfers between services / departments must be authorised by the respective service Director and the Director of Finance and Resources for submission to the relevant policy board for approval.
- 6.3. Budget holders are obliged to seek mitigating action to minimise significant budget variances. The Board is therefore asked to approve the following virements, which are not currently applied to the budget:

Revenue Budget Adjustments for noting			
Objective Heading	Subjective Heading	Amount (£m)	Reason
Road Operations	Supplies and Services	0.200	Increased Bitumen costs for capital work (see 5.2.1).
Road Operations	Income	(0.200)	Increased income for recharges to capital.

7. Capital Budget Projection – break-even position by 31 March 2026

- 7.1 The Capital Investment Programme 2025/26 to 2029/30 was approved by the Council on 27 February 2025. For Infrastructure Land & Environment the revised capital spend for 2025/26 is £16.625m.
- 7.2 The in-year Capital budget is forecast to break even by 31 March 2026 however, this will be monitored as the projects progress. Further details of the programme can be found in the Capital Monitoring report at Appendix 3.
- 7.3 A number of budget adjustments between years have taken place, to reflect revised programming of some capital projects. Details of these adjustments, which amount to £0.433m, are as follows:

Project	Amount (£m)
Budget increase to reflect grant award	
SPT	0.100
Scottish Government – Implementation of 20mph speed limit	0.259
Budget carried forward into 2026/27 to reflect programming	
Public Realm	(0.295)
Traffic Management	(0.226)
Budget decrease to reflect programme completion	
Recycling Improvement Fund	(0.271)
Total	(0.433)

Implications of the Report

1. Financial

The projected budget outturn position for the Infrastructure, Land and Environment Revenue budget is an overspend of £0.380m. 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 the Infrastructure, Land and Environment Capital budget is a break-even position.

2. HR & Organisational Development

While staffing budgets form a significant proportion of the Council's revenue budgets, there are no direct implications arising from the recommendations in this report.

3. Community/Council Planning

Community Plan	
Our Renfrewshire is thriving	The Council's revenue and capital spend ensures that its facilities are fit for purpose and safe for the community, to maximise accessibility.
Our Renfrewshire is well	
Our Renfrewshire is fair	
Our Renfrewshire is safe	
Council Plan	
Reshaping our place, our economy, and our future	The Council's revenue and capital spend ensures that its facilities are fit for purpose and safe for the community, to maximise accessibility.
Building strong, safe, and resilient communities	
Tackling inequality, ensuring opportunities for all	
Creating a sustainable Renfrewshire for all to enjoy	Ongoing revenue and capital budget monitoring is a tool to enable good financial management so that the Council has resources now and in the future for continued service delivery.
Working together to improve outcomes	

4. Legal

There are no direct implications arising from the recommendations in 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

There are no direct implications arising from the recommendations in this report.

7. Equality & Human Rights

There are no direct implications arising from the recommendations in this report.

8. Health & Safety

There are no direct implications arising from the recommendations in this report.

9. Procurement

While Procurement is an important consideration prior to the council incurring any revenue or capital spend, there are no direct implications 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

There are no direct implications arising from the recommendations in this report.

12. Climate Change

The Council aims to reduce its carbon and other emissions to net zero by 2030, however there are no direct implications arising from the recommendations in this report.

13. Children's Rights

There are no direct implications arising from the recommendations in this report.

14. Cosla Policy Position

N/A

List of Background Papers

- The Capital Investment Programme 2025/26 to 2029/30, Council 27 February 2025

Author:

Lisa Dickie, Finance Business Partner,
Gordon McNeil, Director of Environment, Housing & Infrastructure and Linsey
Mcgregor, Senior Accountant (Capital)

Appendix 1

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2025/26
1 April 2025 to 14 November 2025

POLICY BOARD : INFRASTRUCTURE, LAND AND ENVIRONMENT								
Objective Summary	Annual Budget at Period 6	Budget Adjustments	Revised Annual Budget at Period 8	Projected Outturn	Budget Variance (Adverse) or Favourable		Previous Projected Outturn Variance	Movement
	£000	£000	£000	£000	£000	%		£000
Directorate and Service Co-ordination	1,489	0	1,489	1,470	19	1.3%	11	8
Refuse Collection	6,080	52	6,132	6,408	(276)	(4.5%)	(96)	(180)
Household Waste Recycling Centres	1,429	0	1,429	1,460	(31)	(2.2%)	(13)	(18)
Refuse Disposal	7,624	(52)	7,572	7,607	(35)	(0.5%)	(131)	96
Neighbourhood Services	7,610	0	7,610	7,625	(15)	(0.2%)	13	(28)
Fleet Services	361	0	361	349	12	3.3%	12	0
Social Transport	1,255	0	1,255	1,413	(158)	(12.6%)	(162)	4
Roads Operations	5,832	0	5,832	5,721	111	1.9%	102	9
Infrastructure and Assets	2,999	(23)	2,976	3,019	(43)	(1.4%)	(15)	(28)
Transportation & Development	720	71	791	798	(7)	(0.9%)	(75)	68
Parking of Vehicles	(34)	0	(34)	(34)	0	0.0%	25	(25)
Street Lighting Maintenance Work	554	0	554	487	67	12.1%	101	(34)
Energy Management Unit	419	0	419	419	0	0.0%	0	0
Strathclyde Partnership for Transport Requisition	3,379	0	3,379	3,403	(24)	(0.7%)	(24)	0
NET EXPENDITURE	39,717	48	39,765	40,145	(380)	(1.0%)	(252)	(128)

Appendix 2

PUBLIC

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2025/26
1 April 2025 to 14 November 2025

POLICY BOARD : INFRASTRUCTURE, LAND AND ENVIRONMENT

Subjective Summary	Annual Budget at Period 6	Budget Adjustments	Revised Annual Budget at Period 8	Projected Outturn	Budget Variance (Adverse) or Favourable		Previous Projected Outturn Variance	Movement
	£000	£000	£000	£000	£000	%	£000	£000
Employees	27,115	79	27,194	27,288	(94)	(0.3%)	138	(232)
Premises Related	1,434	0	1,434	1,537	(103)	(7.2%)	(103)	0
Transport Related	8,616	(12)	8,604	8,518	86	1.0%	29	57
Supplies and Services	15,732	(19)	15,713	16,470	(757)	(4.8%)	(407)	(350)
Third Party Payments	3,644	0	3,644	3,667	(23)	(0.6%)	(24)	1
Transfer Payments	169	0	169	165	4	2.4%	(24)	28
Support Services	661	0	661	677	(16)	(2.4%)	(15)	(1)
Depreciation and Impairment Losses	2,180	0	2,180	2,180	0	0.0%	0	0
GROSS EXPENDITURE	59,551	48	59,599	60,502	(903)	(1.5%)	(406)	(497)
Income	(19,834)	0	(19,834)	(20,357)	523	2.6%	154	369
NET EXPENDITURE	39,717	48	39,765	40,145	(380)	(1.0%)	(252)	(128)

PUBLIC

RENFREWSHIRE COUNCIL
 CAPITAL INVESTMENT STRATEGY - NON-HOUSING SERVICES
 1st April to 14th November 2025
 POLICY BOARD: INFRASTRUCTURE, LAND & ENVIRONMENT

Project Title	Prior Years Expenditure to 31/03/2025 £000	Current Year 2025-26						Full Programme - All years				
		Approved Budget 2025-26 £000	Budget Adjustments since previous Board report £000	Revised Budget 2025-26 £000	Projected Outturn 2025-26 £000	Budget Variance (Adverse) or Favourable		Total Approved Budget to 31-Mar-30 £000	Projected Outturn to 31-Mar-30 £000	Budget Variance (Adverse) or		
ENVIRONMENT & INFRASTRUCTURE												
Active Travel Funding Tier 1	0	1,411	0	1,411	1,411	0	0%	4,611	4,611	0	0%	
LADA	49	49	0	49	49	0	0%	98	98	0	0%	
Bus Infrastructure Fund	0	105	0	105	105	0	0%	105	105	0	0%	
Vehicle Replacement Programme	0	2,382	0	2,382	2,382	0	0%	12,102	12,102	0	0%	
Bridge Assessment/Strengthening - 6XN004	0	347	0	347	347	0	0%	1,547	1,547	0	0%	
Roads/Footways Upgrade Programme -6XN004	0	8,012	0	8,012	8,012	0	0%	59,437	59,437	0	0%	
Lighting Columns Replacement - 6XN004	0	840	0	840	840	0	0%	3,240	3,240	0	0%	
Traffic Management	529	236	(226)	10	10	0	0%	765	765	0	0%	
Improvements to Outdoor Access and Play Area Program	393	68	(19)	49	49	0	0%	442	442	0	0%	
Total Active Travel Transformation Fund	331	90	0	90	90	0	0%	421	421	0	0%	
SPT - People in Place Fund	0	110	0	110	110	0	0%	110	110	0	0%	
Multi Purpose Bins	0	56	0	56	56	0	0%	56	56	0	0%	
Renewal of Play Parks	0	1,167	19	1,186	1,186	0	0%	1,986	1,986	0	0%	
Grant for Implementation for 20mph speed limit	0	0	259	259	259	0	0%	259	259	0	0%	
Nature Restoration Fund (Biodiversity)	483	216	0	216	216	0	0%	558	558	0	0%	
Nature Restoration Fund (Rivers)	95	114	0	114	114	0	0%	350	350	0	0%	
Underwood Depot Improvement	12	388	0	388	388	0	0%	400	400	0	0%	
Public Realm - Abbey	0	300	(295)	5	5	0	0%	300	300	0	0%	
Recycling Improvement Fund	486	271	(271)	0	0	0	0%	486	486	0	0%	
Road Safety	952	396	0	396	396	0	0%	1,348	1,348	0	0%	
Open Spaces Infrastructure	0	200	0	200	200	0	0%	200	200	0	0%	
Strathclyde Partnership Transport	0	300	100	400	400	0	0%	400	400	0	0%	
TOTAL INFRASTRUCTURE, LAND & ENVIRONMENT BOARD	3,637	17,058	(433)	16,625	16,625	0	0%	89,528	89,528	0	0%	