

**WEST DUNBARTONSHIRE COUNCIL**  
**Report by the Chief Officer - Resources**  
**Corporate Services Committee – 2 November 2022**

**Subject: Corporate Services Budgetary Control Report to 31 August 2022  
 (Period 05)**

**1. Purpose**

- 1.1** The purpose of this report is to advise the Committee on the performance of the Corporate Services budget for the period to 31 August 2022.

**2. Recommendations**

- 2.1** Members are asked to:

- i) note that the revenue account currently shows a projected annual adverse variance of £0.119m (0.36% of the total budget) and
- ii) note that the capital account is showing a projected in-year underspend of -£0.778m (-10.4% of in-year budget) due to 2 projects showing projected underspends as a result of delays to these projects with explanations for delays detailed in Appendix 6. The project life projection is currently showing a projected underspend of £-0.047m (-0.4% of project life budget).

**3. Background**

**3.1** Revenue Budget

At the meeting of West Dunbartonshire Council on 9 March 2022, Members agreed the revenue estimates for 2022/23.

A total net budget of £33.919m was approved for services under the remit for Corporate Services at that time.

Since then the following adjustments have been made to the original budget agreed:

<b>Description</b>	<b>£m</b>
Budget Agreed March 2021	33.919
June Council - Cost of Living Fund Allocation	0.065
Vacant posts removed to sundry services	-0.593
Centralisation of Mobile Phones to ICT	0.014
Excess Welfare Fund budget moved to sundry services	-0.065
	<b>33.338</b>

- 3.2** Due to the current financial challenges facing the Council recruitment restrictions have been implemented and the filling of vacancies is subject to active review. For variances linked to this action (beyond the budgeted turnover targets), in year savings through not filling vacancies, are now being removed from services and held in a central code. This has resulted in a number of favourable service variance being removed from services and held centrally (currently £0.593m). This has no impact on the overall projected outturn of the Council, just on how that outturn is reported. A few services have still to have a final position agreed with the Chief Officer, so have not been centralised as at period 5, meaning any favourable variances in relation to their vacancies are still being reported within the service figures however this will be updated in future budget control reports.
- 3.3** With vacancy savings being removed from service budgets and transferred to a central budget, other projected overspends identified within services are now more clearly reported. This demonstrates that, if the Council were to only meet the budgeted turnover level of vacancies there would be a far more significant overspend which highlights the extent to which the Council cannot afford to operate with its current full establishment.
- 3.4** The effects of removing the vacancy savings from service budgets to a central budget as at Period 5 are noted below:

<b>Service with Vacancy Transfers at Period 5</b>	<b>Variance in BCR £000</b>	<b>Vacancy Savings Moved to Central Budget £000</b>	<b>Variance if Vacancies not Removed £000</b>
Resources	48	78	(30)
Regulatory and Regeneration	312	355	(43)
People and Technology	(59)	160	(219)
<b>Corporate Services P5 total</b>	<b>(593)</b>	<b>593</b>	<b>0</b>

**3.5** Capital Budget

At the meeting of Council on 9 March 2022, Members also agreed the updated 10 year General Services Capital Plan for 2022/2023 to 2031/32. The next three years from 2022/23 to 2024/25 have been approved in detail with the remaining 7 years being indicative at this stage. The total project life budget approved for projects that have either commenced or are due to commence in that period total for Corporate Services was £11.080m.

**4. Main Issues**

Revenue Budget

- 4.1** The summary report at Appendix 1 identifies a projected annual adverse variance (overspend) of £0.119m (0.36% of the total budget). Detailed service reports are attached as Appendix 2. It should be noted however that this assumes the budgeted 2% pay award. In light of the most recent pay award negotiations it is likely that the actual pay award will be higher than 2%. Based on the current offer being negotiated which is around 5%, the increase in cost would be an additional £1.002m of which £0.762m will be covered by additional Scottish Government funding leaving a balance of £0.240m to be added to the projected 2022-23 outturn.
- 4.2** There are seven projected annual variances in excess of £0.050m. Notes on these variances are highlighted and noted within Appendix 3, with additional information on action being taken to minimise or mitigate overspends where possible.
- 4.3** Although the report indicates that expenditure is adverse in comparison to that anticipated during the budget exercise, the present variance should be viewed in the knowledge that there are a number of variable factors which could arise between now and 31 March 2023 and which could affect the year end results.

#### Capital Budget

- 4.4** Appendices 4 to 6 highlight 2 projects showing an in-year underspend, 13 projects on target and 2 projects showing an in-year overspend. The overall Corporate Services programme summary report at Appendix 5 shows that there is a projected £0.778m (10.4% of the total programmed budget) to be re-phased in future years.

There are two significant variances within the Capital Budget, these are shown in the following table. See Appendix 6 for more details.

Project	Variance £m
ICT Security & DR	-0.297
ICT Modernisation	-0.472

## **5. People Implications**

- 5.1** There are no people implications.

## **6. Financial and Procurement Implications**

- 6.1** Other than the financial position noted above, there are no financial or procurement implications from this budgetary control report.

## **7. Risk Analysis**

**7.1** The main financial risks to the ongoing financial position relate to unforeseen costs being identified between now and the end of the financial year. This can affect all service areas

## **8. Equalities Impact Assessment (EIA)**

**8.1** No equalities impact assessment was required in relation to this report.

## **9. Consultation**

**9.1** All services involved in delivering the revenue and capital budgets have been consulted in the compilation of this report.

## **10. Strategic Assessment**

**10.1** Proper budgetary control and sound financial practice are cornerstones of good governance and support Council and officers to pursue the 5 strategic priorities of the Council's Strategic Plan. This report forms part of the financial governance of the Council.

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**Laurence Slavin**  
**Chief Officer Resources**

**Date: 14 October 2022**

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**Appendices:**

Appendix 1 -	Revenue Budgetary Control 2022/23 – Summary Report
Appendix 2 -	Revenue Budgetary Control 2022/23 – Service Reports
Appendix 3 -	Analysis of Revenue Variances over £50,000
Appendix 4 -	Overall Capital Programme Summary Financials
Appendix 5 -	Capital Programme – Red Status
Appendix 6 -	Capital Programme – Green Status

## **Background Papers:**

Ledger output – Period 05

General Services Revenue Estimates 2022/23 – Council 9  
March 2022  
General Services Capital Strategy 2021/22 to 2030/31 -  
Council 9 March 2022

**Wards Affected**

All Wards