Supplementary Agenda

Meeting of
West Dunbartonshire Council

Date:	Wednesday, 27 November 2019
Time:	18:00
Venue:	Civic Space, Council Offices, 16 Church Street, Dumbarton
Contact:	Craig Stewart Tel: 01389 737251 – craig.stewart@west-dunbarton.gov.uk

Dear Member

ITEMS TO FOLLOW

I refer to the agenda for the above meeting that was issued on 14 November and now enclose copies of **Items 8, 9, 10, 11 and 13** which were not available for issue at that time.

Yours faithfully

JOYCE WHITE

Chief Executive

Note referred to:-

8 UK PARLIAMENTARY ELECTION: 12 DECEMBER 2019 - ADVERSE WEATHER PLANNING **145 - 148**

Submit report by the Strategic Lead – Roads & Transportation providing an update on the supplementary actions proposed to assist in facilitating safe access in and around polling stations and the additional costs further to the motion considered by Council on 30 October 2019.

9 LONG TERM FINANCIAL STRATEGY REFRESH AND GENERAL SERVICES AND HOUSING REVENUE ACCOUNT REVENUE ESTIMATES UPDATE 2020/21 TO 2022/23 **149 - 212**

Submit report by the Strategic Lead - Resources providing an update of the Council's Long Term Finance Strategy, together with information on the estimates process for the General Fund and the Housing Revenue Account (HRA).

10 GENERAL SERVICES BUDGETARY CONTROL REPORT TO 31 OCTOBER 2019 (PERIOD 7) **213 - 270**

Submit report by the Strategic Lead – Resources advising on the General Services revenue budget and the approved capital programme to 31 October 2019.

11 HOUSING REVENUE ACCOUNT BUDGETARY CONTROL REPORT TO 31 OCTOBER 2019 (PERIOD 7) **271 - 290**

Submit report by the Strategic Lead – Housing & Employability providing an update on the financial performance to 31 October 2019 (Period 7) of the HRA revenue and capital budgets.

13 DUMBARTON COMMON GOOD FUND GRANT APPLICATION **291 - 297**

Submit report by the Strategic Lead – Resources providing information on one grant application and making recommendation regarding grant award for the Dumbarton Common Good Fund (DCGF). The report also provides an update on a further grant award, as considered by the Corporate Services Committee on 19 June 2019.

Distribution:-

Provost William Hendrie
Bailie Denis Agnew
Councillor Jim Bollan
Councillor Jim Brown
Councillor Gail Casey
Councillor Karen Conaghan
Councillor Ian Dickson
Councillor Diane Docherty
Councillor Jim Finn
Councillor Daniel Lennie
Councillor Caroline McAllister
Councillor Douglas McAllister
Councillor David McBride
Councillor Jonathan McColl
Councillor Iain McLaren
Councillor Marie McNair
Councillor John Millar
Councillor John Mooney
Councillor Lawrence O'Neill
Councillor Sally Page
Councillor Martin Rooney
Councillor Brian Walker

Chief Executive
Strategic Director - Transformation & Public Service Reform
Strategic Director - Regeneration, Environment & Growth
Chief Officer - West Dunbartonshire Health & Social Care Partnership

Date of issue: 22 November 2019

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WEST DUNBARTONSHIRE COUNCIL

Report by Strategic Lead – Shared Services Roads and Transportation

Council: 27 November 2019

Subject: UK Parliamentary Election 12 December 2019 – Adverse Weather Planning.

1. Purpose

1.1 The purpose of this report is to update members of the supplementary actions proposed to assist in facilitating safe access in and around polling stations and the additional costs further to the motion considered by Council on 30th October 2019.

2. Recommendations

2.1 It is recommended that Council:

(i) notes that the Council has a robust Winter Maintenance Plan with an extensive provision of Grit Bins available for public use.

(ii) notes the proposed additional resource identified in 4.6 below; and

(iii) approves the indicative expenditure detailed in 6.2 below from free reserves.

3. Background

3.1 Council passed the undernoted motion at its meeting on 30th October 2019;

"Council notes that it is likely there will be a UK General Election on 12th December 2019.

Council asks officers to prepare a report for November Council with a plan to ensure that roads and pavements around polling places, and walking routes between bus stops and polling places are kept free from ice/snow should action be required on the day.

The plan should also include steps to ensure that drains in the vicinity of polling stations are checked in advance of the election and maintained free from blockages to avoid flooding.

Any extra costs associated with this plan should be included in the report to allow elected members to agree how it can be properly resourced to ensure the safety of voters on election day."

4. Main Issues

4.1 The UK Parliamentary Election is to be held on the 12th December during the winter season. This necessitates severe weather contingency planning to ensure that the Council is able to facilitate the electoral process. In advance of the election being confirmed, representatives of the Roads & Transportation services and the Election Team have been meeting since September to assess and identify any supplementary requirements and develop a response plan.

4.2 Following these meetings, further discussions between the Election Team, Roads & Transportation, Health & Safety, Housing Maintenance and the Resilience Group of the Civil Contingency Services have taken place and the proposals noted below considered.

4.3 West Dunbartonshire Council has a robust winter maintenance service plan, which is reviewed annually. This plan defines and details actions for carriageway and footway gritting treatments in accordance with the Well Maintained Highways Code of Practice.

4.4 The locations of the polling stations have been reviewed in relation to the priority gritting routes. It has been determined that the majority will require additional focus during adverse weather events due to their location.

4.5 It is considered that the most appropriate method of addressing the potential issues identified is to adopt the "cluster system" currently utilised by the Election Team. This aggregates the locations into 13 "clusters" principally based on geographical locations and historically used by the teams supporting the election team.

4.6 It is proposed that this comprises of:

- 4 operatives per polling station cluster, covering both morning and evening polling hours {52 operatives} undertaking gritting treatment;
- 4 operatives for count venue including alternative venue and emergency venue, covering both polling and count hours undertaking gritting treatment; and
- 4 operatives for a gulley motor, covering polling hours undertaking flood preventative measures as required. (Costs for the works carried out during the working day are not included.)

This requires a total of 60 operatives.

4.7 To service these clusters it will be necessary to supplement the existing winter maintenance resource. It is anticipated that the additional operatives required will be sourced from Greenspace and Housing Maintenance teams. Input from the relevant service managers has resulted in a recommendation that the additional operatives required should be placed on stand-by week commencing 9th December 2019.

4.8 For ease of transportation, use and to mitigate against incurring increased cleaning costs it is proposed to utilise white rock salt which is used in schools and council premises. The Service will make arrangements for rock salt to be delivered to the Polling Stations for use as required in advance of the election. The rock salt will be used within the curtilage of the polling stations and road grit will be used for treatment of the routes outwith the curtilage.

4.9 Carriageway treatment and standby of associated Roads operatives are not included in the costs below as the actions would be identified and instructed following the Winter Maintenance Plan.

5 People Implications

5.1 It is agreed that Greenspace and Housing operatives be approached to confirm availability for stand-by rota week commencing 9th December 2019. Service managers have indicated a high degree of co-operation and participation is expected.

5.2 As noted above it is considered that 60 operatives are required to deliver what is envisaged by the motion as additional actions in the event of adverse weather. It is noted that this will cover all adverse weather.

5.3 Standby will require to be paid to all 60 operatives to ensure certainty of resource availability.

6 Financial and Procurement Implications

6.1 The indicative financial costs are as noted in table 6.2

6.2

Item	**Cost**
Stand-by Payment (additional resource)	£ 5,447
Salt	£ 4,483
Overtime{10hours @1.5 assumed}	£32,400
Vehicles (outwith working hours)	£ 3,000
Total	**£45,330**

6.3 The total cost of £9,930 for stand-by and salt purchase detailed above provides a high degree of confidence in responding to adverse weather. The weather forecast will determine the actual hours of treatment required. The costs may be greater if weather is severe and/or prolonged but will be less if weather conditions are favourable.

7. Risk Analysis

7.1 There is a risk that resources do not wish to agree to undertake standby.

8. Equalities Impact Assessment (EIA)

8.1 There is no equalities impact as the report does not recommend a change to existing policy, function or strategy.

9. Consultation

9.1 Consultation on the report content has been carried out with the Strategic Leads for Legal, Finance, Roads & Neighbourhood, Housing Maintenance, Health & Safety and the Election Team. Additional consultation has been carried out with the Civil Contingency Team.

10. Strategic Assessment

10.1 At its meeting on 25 October 2017, the Council agreed that the action noted below is among its five main strategic priorities for 2017 – 2022;

- Meaningful community engagement with active empowered and informed citizens who feel safe and engaged.

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10.2 The proposed actions support this commitment.

Gail Macfarlane
Strategic Lead Roads and Transportation
14 November 2019

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Appendices: None

Background Papers: Winter Maintenance Plan

Wards Affected: All

WEST DUNBARTONSHIRE COUNCIL

Report by Strategic Lead - Resources

Council: 27 November 2019

Subject: Long Term Financial Strategy Refresh and General Services and Housing Revenue Account Revenue Estimates Update 2020/21 to 2022/23

1. Purpose

1.1 The purpose of this report is to provide Members with an update of the Council's Long Term Finance Strategy, together with information on the estimates process for the General Fund and the Housing Revenue Account (HRA).

1.2 The report also provides an update on the position regarding reserves, including projections in relation to funds held for provisions, earmarked balances and free reserves.

1.3 The report provides an outline of the planned approach to consultation in relation to options to reduce the current projected gap.

2. Recommendations

2.1 Members are asked to:

(i) Note the updated strategy has developed estimates of the Council's funding position to 2022/23 and identifies cumulative anticipated revenue funding gaps within General Services of £5.644m for 2020/21; £10.621m for 2021/22; and £16.871m for 2022/23;

(ii) Note the position regarding the HRA projections to 2022/23;

(iii) Note the projection to a 10 year estimate to 2029/30;

(iv) Approve the long term financial strategy, as attached as Appendix 1, including:
- inflationary uplifts for 2020/21 onwards as described in 4.12 below; and
- the 10 year plan within the strategy as described at 4.36 below;

(v) Note the projected year-end position regarding reserves and provisions;

(vi) Note that the CMT are in the process of generating efficienies should for consideration at a future Council meeting;

(vii) Note the current position regarding the long term capital plan;

(viii) Note the information provided in relation to Brexit, the General Election, and the review of loan charges;

(ix) Note that as a result in the delay in the UK Government budget announcement that the scheduled report to December 2019 Council will no longer be provided and Members may wish to consider setting a further Council meeting between December 2019 and next scheduled meeting on 26 February 2020 for further updates; and

(x) Note that this projected position is subject to amendment as assumptions continue to be clarified and revised between now and Council in March 2020.

3. Background

3.1 The previous iteration of the Long Term Financial Strategy was presented to and approved by Council on 28 November 2018. Updated indicative budget gaps for 2020/21 to 2021/22 were updated following the approval of the budget, as minuted from Council on 27 March 2019. This is an update to this Financial Strategy and provides information to Members of the revised position.

3.2 At the Council meeting in November 2018 the Finance Strategy was agreed which identified cumulative projected budgets gaps from 2019/20 to 2021/22 of:

- 2019/20 £2.066m;
- 2020/21 £8.786m; and
- 2021/22 £13.502m.

3.3 The Council, on 27 March 2019 agreed a budget which closed the budget gap for 2019/120 and generated revised cumulative gaps for future years, as follows:

- 2019/20 nil;
- 2020/21 £9.816m; and
- 2021/22 £16.930m.

4. Main Issues

Refresh of Long Term Finance Strategy

4.1 The Strategy (Appendix 1) provides information - in a local and national context – on financial issues affecting both funding for the Council and its anticipated spend. It provides information on estimated revenue and capital balances (both for General Services and HRA) rolled-forward in detail to 2022/23.

4.2 The figures have been revised for updated assumptions on Scottish Government funding, pay and non pay inflation, as well as general burdens and pressures.

4.3 A comparison of the General Services revenue cumulative budget gaps from those last reported to the current position is noted below. Annex 1 of the attached Strategy document highlights the changes in assumptions between the gap identified in March 2018 to the current projections and is summarised in the table below and is further detailed at Appendix 2:

	2019/20 £m	**2020/21 £m**	**2021/22 £m**
Council meeting (March 2019)	9.816	16.930	n/a
Strategy (November 2019)	5.644	10.621	16.781
Change in identified gap	**-4.172**	**-6.309**	**16.781**

4.4 In relation to the HRA, based on current assumptions around rent increases, there are no anticipated gaps forecast to 2022/23.

4.5 The Council's external auditors, in their annual report on the Council for 2018/19 as presented to the Audit and Performance Review Committee in September 2017, recommended that Council should consider longer-term financial planning in order to ensure potential future funding issues can be identified early and plans developed to mitigate such longer-term financial risks. Annex 1 of the attached Strategy now projects the Councils General Fund position to 2029/30.

4.6 As in previous years a sensitivity analysis has also been used to show possible variations arising from changes to assumptions into the future.

4.7 The General Services anticipated reserves position is noted below. The prudential reserve target on free revenue reserves for 2019/20 is £4.192m; for 2020/21 is anticipated to be £4.200m; and is anticipated to be £4.210m for 2021/22; and anticipated to be £4.220m for 2022/23:

	31/03/19	**31/03/20**	**31/03/21**	**31/03/22**
	£m	**£m**	**£m**	**£m**
General Service Free Reserve	4.381	4.381	4.381	4.381
General Service Earmarked Reserve	6.170	2.470	1.335	0.826
Capital Item Replacement Fund	0.362	0.362	0.362	0.362
Capital Grants Unapplied	0.278	0	0	0
Capital Reserve: Schools Regeneration	2.847	2.147	1.442	0.732
	14.038	**9.360**	**7.520**	**6.301**

The HRA anticipated reserves position is noted below. The prudential reserve target on free revenue reserves for the period to 2022/23 is shown below:

	31/03/19	31/03/20	31/03/21	31/03/22
	£m	£m	£m	£m
HRA Free (Prudential) Reserve	0.850	0.875	0.906	0.931
HRA Earmarked Reserve	0.756	0	0	0
	1.606	**0.875**	**0.906**	**0.931**

4.8 The Strategy also provides information in relation to treasury management, covering levels of debt and investments, together with average interest rates thereon. This will be considered in addition to the annual treasury strategy reported to Council prior to the start of each financial year.

4.9 The Strategy also notes the population projections for the Council area as a proportion of Scotland between 2012 and 2037, by population banding. Current projections identify that between the base year and 2039, the proportion of Scotland's population residing in the Council area falls from 1.74% to 1.46%. This is anticipated to have a direct impact on Scottish Government's allocation of funding to the Council, though the reality will not be known for some time.

4.10 The Strategy also notes policies and specific strategies adhered to by the Council to ensure adequate financial controls are in place.

4.11 Annexes 4, 5 and 6 of the Strategy identifies short, medium and longer term issues with planned actions to minimise financial risks from these issues.

4.12 The Finance Strategy assumes inflationary uplifts as follows:

- on non staffing lines assumed at 0% (any inflationary uplift required by contract conditions will be implemented as a burden); and
- on sales, fees and charges at 4%. The assumption excludes internal, statutory and identified HSCP charges which cannot be higher than the cost of service provision).

At present it has been assumed that pay awards will be 3% for the period beyond the current pay settlement i.e. from 2021/22 and thereafter. This is subject to national agreement and may vary. Part of the current pay award included agreement that Councils would implement revised pay structures in order to consolidate the Living Wage into pay structiures by March 2021. This work is ongoing and it is anticipated that this will have a financial cost; however this has not yet been finalised.

4.13 The Strategy includes assumptions around the settlement from Scottish Government. This is based on officers' estimates around the likely position. It should be noted that settlement figures for 2020/21 were due to be announced in mid-December 2019; however officers were advised on 11 November 2019 that this was not now going to happen. This is due to the UK Parliamentary election and the UK Government deciding against a budget

announcement in November 2019. The Scottish Government therefore does not have sufficient information from the UK Government to allow them to set a budget and notify Councils of a settlement. On this basis the planned budget preparation report to December 2019 Council will not be issued.

4.14 The Scottish Government in the settlement for 2019/20 agreed a cap on Council Tax increases at 4.79%. This figure relates to the previous position of a 3% cap by applying inflation to the previously allowed uplift. Council did not take the opportunity to increase the Council Tax in 2019/20 by the full 4.79%, but agreed a 3% uplift. Due to this decision the attached Strategy assumes that this position continues and also that the Council will increase Council Tax by 3%. If such a rise was not to be agreed the gaps identified in this report by an additional £1.1m each year.

4.15 The Strategy includes an approach around scenario planning where the main financial issues for the Council are considered through three different circumstances: Likely; Worst Case; and Best Case. The figures used to identify anticipated budget gaps going forward are based on the Likely scenario which is illustrated in Annex 1 to the Strategy.

4.16 The Strategy also provides a longer term view of the potential cost of loan charges in order than Members may consider the revenue impact of capital investment decisions under varying potential interest rate scenarios. Again, in determining the anticipated funding gaps going forward the Likely scenario has been used.

4.17 A Loans Fund Review exercise was undertaken during 2018/19 which allowed a cash flow benefit to be applied over a number of years. This was in line with the position taken by Audit Scotland as to the extent of review that was allowed by Scottish Government Guidance and Legislation around the Local Authority Loans Fund. The Audit Scotland position has since changed during 2019 and a further opportunity remains to review other elements of the Loans Fund. As a result a further review of options for the management of the Loans Fund and loan charges to revenue is underway which has the potential to reduce costs through further cash flow benefits. It is expected that this review will be completed in time for setting the 2020/21 budget.

<u>General Services and Housing Revenue Account Revenue Estimates Update 2020/21 to 2022/23</u>

4.18 Based on the above and the information provided below the Council's financial position has been projected to 2022/23.

4.19 For 2020/21 to 2022/23 the grant settlement from the Scottish Government to the Council is estimated to reduce, in cash terms, by 0.75% each year. The expected reduction is due to a combination of expected funding reduction due to demographics projections and likely reductions due to expected grant reductions from the UK Government being passed-on to Councils via the Scottish Government.

At a recent COSLA Leaders Meeting (25 October 2019) Leaders approved a report which changed the distribution methodology for a range of Grant Aided

Expenditure (GAE) indicators and a number of former ring-fenced grants. The effect of this is expected to be helpful to the Council as the new needs-based distribution factors approved recognize deprivation more than the previous approach. The effect of this is estimated to be around £2.500m; however the Floor Mechanism (which exists to protect Councils which lose funding as a result of such changes) will dampen the positive impact. At present the floor value has not been set (this is part of the settlement process); however the assumption is that this will dampen the redistribution by around £1.000m to £1.500m.

As a result of the above changes in assumptions the estimated funding is currently estimated as:

- 2019/20 £187.063m
- 2020/21 £188.747m;
- 2021/22 £187.402m; and
- 2022/23 £186.047m.

The actual funding provided will not be known until the Scottish Government provide settlement figures later in this financial year and Members should note that these are likely to be different to the projections noted above and almost certainly will only cover 2020/21.

4.20 In recognition of this steady improvement in performance full collection rates anticipated for the purposes of this strategy have been revised upwards to 97.5%, from 97.25%. Within the updated figures, officers have reviewed the council tax position based upon the assumed increase of 3% per year, together with an expected growth in the Council Tax base due to new house building, resulting in the following estimated Council Tax income:

- 2019/20 – Budgeted charges raised of £34.797m;
- 2020/21 – Projected charges raised of £36.250m;
- 2021/22 – Projected charges raised of £37.726m; and
- 2022/23 – Projected charges raised of £38.946m.

4.21 Reports on the General Services and HRA Revenue Estimates 2020/21; and Treasury Strategy 2020/21 – which consider the impact of capital planning projections, will be presented to the Council meeting in March 2020 to ensure alignment of resources.

4.22 As at 31 March 2019, General Services revenue resources held by the Council was:

	£m
Reserves	**10.998**
Of which:	
Earmarked	6.170
Unearmarked	4.828
Prudential Target	**4.192**
Provisions	**0.351**

Of which:

Equal Pay	0.118
Voluntary Retirement/Severance	0.233

4.23 Similar to previous years, the projected position is based on current Council policy and projected levels of service delivery.

4.24 In relation to the WD Health and Social Care Partnership (HSCP), the finance strategy assumes funding to the HSCP will reduce in line with assumptions on the funding reduction assumed from the Scottish Government to the Council – so for 2020/21 to 2022/23 – 0.75% each year..

Projected Reserves and Provisions Position at 31 March 2020

4.25 The earmarked balances held at 31 March 2019 (per the annual accounts - £6.170m) have been reviewed and it is anticipated at this time that all funds are still required for their earmarked purposes.

4.26 For the purposes of this strategy a projected outturn of a favourable variance of £0.650m is assumed for 2019/20, as reported in the Budgetary Control Report within the document pack for this meeting. This position will be reviewed between now and Council in March 2020, and may be affected by any decision on further loans fund review during 2019/20. This strategy does not assume use of reserves at this stage.

4.27 The prudential target has been re-assessed based upon the current projected budget for 2020/21, and the target of 2% of the net budget becomes £4.200m.

4.28 Members will be aware of external audit comments on the level of reserves generally and the level of the prudential target. Members will wish to consider these comments when setting the budget, with the potential to increase the value of reserves through a planned approach to generating a surplus in 2020/21 onwards.

4.29 At this time it is anticipated that the provisions held, as noted above, are adequate. This will continue to be considered and assessed again prior to the end of 2019/20.

Consultation on the 2020/21 General Fund budget

4.30 A budget consultation process has already been undertaken as approved by Council in June 2019 and the outcome reported in a separate report within the document pack for this meeting.

Consultation on the 2020/21 HRA budget

4.31 The consultation will take place between November 2019 and January 2020, through a range of meetings with tenants and tenants groups and representative groups.

Other Issues

4.32 As noted above, the long term capital plan was approved by Council in March 2019. Any additional projects which may be developed will require to come to Council or relevant Committee with appropriate business cases for approval for adding to the capital plan.

4.33 Members are reminded that there are a number of assumptions within the financial projections, including national pay awards, the continuing effects of welfare reform and the Scottish Government financial settlement.
All assumptions remain subject to change and confirmation and will be further considered and any changes advised between now and Council in February 2019.

4.34 Brexit continues to present a risk to assumptions made on Scottish Government settlements and the Council's current budget assumptions. In recent announcements the Chancellor of the Exchequer was clear that a "no deal" Brexit would be likely to require the Government to revisit Budget assumptions. It is anticipated that this would impact on the settlement to the Scottish Government and likely onto Councils. The extent of the risk around this is not quantifiable.

4.35 Longer-term projections, as advised above, have been made to 2029/30 and highlight, based on a range of assumptions which are detailed in the Finance Strategy a range of funding gaps to 2029/30 between £52.096m and £66.378m, based on a best and worst case scenario – with the likely position being somewhere in between, currently valued at £56.274m. Clearly as projections range further into the future uncertainty is clear, however these figures have been generated to provide Members with an insight as to the potential position going forward and allow Members and officers to generate approaches to manage such funding gaps in a planned manner.

4.36 CIPFA guidance as to what a good long term finance strategy would look like and include, expects that there will be a plan developed and agreed as part of the strategy to reduce any projected funding gaps into the future. The attached Strategy document includes information on the outline plan covering the next 10 years which identifies a range of areas where the Council can be proactive in implementing change, both internally and externally to seek to mitigate the funding risk identified. Some of these include expectations around the success of regeneration investment which is currently commencing in the area around increasing the number of houses, which it is hoped will increase the population of the area. Clearly some aspects of the plan are more controllable than others and it is anticipated that the plan will be reviewed as part of the normal annual revision of the Strategy. The opportunities are being developed as business cases are generated for relevant areas and further research and consideration is made as to setting financial targets associated with each of the areas identified.

5. People Implications

5.1 The strategy itself does not have any direct implications on the workforce; hopwever as savings options generated by the CMT to close the

projected gaps are developed there will almost certainly be implications for the workforce.

6. Financial and Procurement Implications

6.1 The strategy does not have any direct financial implications. However, it does identify in future years the Council is facing budget gaps which will require Council decisions to mitigate.

6.2 The scenario planning consideration within the Strategy illustrates how relatively small movements in assumptions can lead to significantly variable outcomes in terms of the potential future funding gaps facing the Council (General Services). A summary of this is as follows for the next three financial years:

	2020/21 £m	**2021/22 £m**	**2022/23 £m**
LIKELY PROJECTION	5.644	10.621	16.781
BEST	4.573	8.998	13.374
WORST	7.150	13.206	19.234

6.3 The main variables within the strategy will be refined throughout the budgeting process as more information becomes available and in particular when settlement figures are provided by the Scottish Government.

6.4 A summary of the HRA gap analysis under different scenarios is as follows:

SCENARIOS	**2020/21 £m**	**2021/22 £m**	**2022/23 £m**
LIKELY	0	0	0
BEST	-0.006	-0.032	-0.036
WORST	0.283	0.807	1.632

6.5 Financial implications arising from the budget process are detailed in the report and appendices. There are no direct procurement implications arising from this report.

7. Risk Analysis

7.1 There are a number of assumptions within the Financial Strategy, these assumptions lead to the identified budget gaps. The gaps could vary from that indicated if the Council identifies further burdens, or mitigates some.

7.2 Roll-out of Universal Credit continues and from November 2018 onwards new claimants and people with change of circumstances will start to move from Housing Benefit to Universal Credit, and at some point in the future (date to be set by DWP) the transfer of remaining claimants will commence. These changes present risks to rent collection rates due to the way Universal Credit works compared to Housing Benefit. There is also a risk in relation to Council

Tax collection as Council Tax Reduction is not passported from Universal Credit as it currently is from Housing Benefit. The impacts of these changes will be monitored for potential impacts on future years' budgets.

8. Equalities Impact Assessment (EIA)

8.1 An initial screening exercise undertaken has confirmed that there are no direct EIA implications as a result of the Finance Strategy.

9. Consultation

9.1 The Long Term Financial Strategy and revised budget position have been considered by the Corporate Management Team on an ongoing basis through August to November 2019 and the views of Legal Services have been requested on this report and have advised there are neither any issues nor concerns with the 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 strategic priorities of the Council's Strategic Plan.

10.2 The General Services revenue budget contributes to all categories by providing funding in specific areas to help the Council achieve and develop these priorities.

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Stephen West
Strategic Lead - Resources
Date: 21 November 2019

Person to Contact: Stephen West, Strategic Lead – Resources (01389 737191);
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Appendices:
1: Long Term Financial Strategy
2: Indicative Funding Gap to 2022/23

Background Papers: Council Draft Budget Book 2020/21 to 2022/23; and Minute of Council meeting – 27 March 2019

Wards Affected: All

Appendix 1

LONG TERM FINANCIAL STRATEGY

November 2019

WEST DUNBARTONSHIRE COUNCIL

LONG TERM FINANCIAL STRATEGY

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1 Introduction

1.1 The purpose of the Financial Strategy is to allow Council to consider and plan for longer term financial issues by providing early sight of pressures arising from areas such as: Scottish government grant funding reductions; service demand changes; demographic change; etc. The Financial Strategy demonstrates that the Council is clear that the outcomes it plans to achieve for our communities link directly to the financial plans for the future and that any financial challenges identified which threaten the achievement of these outcomes are managed and prioritised in an orderly manner.

1.2 Since the last update of the strategy, in November 2018, the Scottish Government provided a single year settlement for 2019/20. To date the Council has not been provided with any information from the Scottish Government on anticipated grant funding for 2020/21 and beyond and indeed this information is not anticipated to be available later in the current financial year, and is most likely to be a single year settlement for 2020/21 only. The UK Government made funding announcements on 4 September 2019 which provided additional funding to a range of public sector spending areas including significantly: the NHS, Schools; and the Police. Central Government in the UK and at Scottish Government are currently reviewing departmentals spending plans. The funding announced at UK level in Septemebr 2019 has an estimated Barnett consequential value of around £1.2b for Scotland in 2020/21 – an increase of 2.1% from 2019/20. As stated in England this funding is directed a certain areas and traditionally the Scottish Government has followed suit – however the extent of any such remains unknown.

This clearly makes it difficult to predict the quantum of grant support on an ongoing basis, though it seems clear that the trend of reducing funding to Councils will continue on an ongoing basis. In 2019/20 the settlement from the Government to the Council was lower than the 2018/19 settlement, on a like for like cash basis. Recently political commentators have been talking about the UK economy as being in a state of “perma-austerity”, this view being based on future predictions around the impact of Brexit and likely impact on the UK economy, though at UK level the UK Government seem to have implemented spend plans that reduces the impact of austerity.

1.3 Population projections for the Council in relation to a growing population for the rest of Scotland is likely to generate continuing reductions in Government funding for the Council on top of the impact of any level of ongoing austerity. The level of government grant support to the Council is difficult to predict as it depends significantly on the state of the UK economy, whether the recent austerity measures continue and for how long and how deep they will impact on the grant to the Scottish Government from Westminster, and then how the Scottish Government decides to manage any such funding reductions across the range of public sector services that are funded.

In general it is anticipated that the Council will face significant financial challenges over at least the next five years – though this position could change significantly depending on how the Scottish Government uses the Barmett consequential described above. It is therefore likely that difficult choices will continue to be required – this Strategy provides a practical framework within which choices will be identified, debated and approved.

1.4 To provide clear and consistent direction for the Council, the following objectives have been identified for the Financial Strategy – it will ensure that:

- the Council has a comprehensive, coherent balanced budget for both General Services and the Housing Revenue Account (HRA);
- resources are allocated and deployed to facilitate delivery of the outcomes set out in the Strategic plan, and Local Outcome Improvement Plan. This takes account of the functions and services provided by the Council which are of a statutory nature as well as those services provided due to local need;
- all key strategic decisions on the allocation and deployment of resources are made within the appropriate financial context, with due regard to levels of risk;
- members are able to take full account of the impact of decisions on the overall financial resources of the Council in the short, medium and long term;
- the Council has flexibility to address new policy requirements, or significant changes to existing policies, within overall available financial resources;
- resources are invested effectively, efficiently and on sustainable basis;
- there is an ongoing focus on securing efficiencies across the organisation;
- there is a clear strategic financial planning linkage between Council decisions on capital planning and the revenue budgets for both the General Fund and the HRA; and
- there is an increased level of understanding on behalf of the wider community with regard to the finances of the Council.

1.5 The primary financial challenges facing the Council over the period of this strategy will be delivering a coherent, balanced revenue budget year on year and the ongoing development of the capital programme, which maintains appropriate investment in our key infrastructure. In addition the HRA capital plan takes a longer-term approach to capital planning within the HRA.

1.6 To deliver a coherent, balanced revenue budget year on year, the Council will need to continuously review existing and revised service delivery arrangements to determine if they are effective, efficient and sustainable, consider alternative methods of service delivery where appropriate and proactively identify opportunities to secure efficiencies or reduce service provision.

1.7 There is no doubt that the information generated through this process will result in options that require hard choices – one of the main challenges for the Council over the next few years will be that, once chosen, these options will often require a lead-in period prior to implementation.

1.8 In order to ensure the link between the strategic future development of capital assets to the financial strategy, capital plans are considered alongside ongoing revenue planning. Capital plans for both General Services and HRA will continue to be approved at the same meeting of the Council that approves the subsequent revenue budgets, as both are intrinsically linked.

1.9 The level of ongoing government support for General Services capital expenditure is known for only the first year of this strategy, similar to the revenue funding position the longer term position is not known and may well come under further pressure depending on the UK policy direction. Similarly to the revenue position it is anticipated the funding for the period from 2020/21 onwards will not be known until mid-December 2019.

1.10 If the Financial Strategy is to be successful, and achieve the objectives outlined, it must be a dynamic, living document reviewed on a regular basis.

1.11 This Financial Strategy is about making sure we have sufficient resources in place when required to deliver the outcomes we want to achieve for the communities of West Dunbartonshire, as described in the Local Outcome Improvement Plan. The Financial Strategy and the other strategic plans will require to be evidenced in the development of the workforce plan.

1.12 The financial strategy undertakes some sensitivity analysis to provide a picture of best case, worst case and likely case in terms of financial projections. This allows Council to see the risk associated with the range of variables within the financial issues/pressures identified.

1.13 Recent Audit Scotland comments in relation to financial planning within Councils has suggests that longer term projections of future budget positions should be provided to allow Councils to consider making longer term decisions. This strategy therefore projects budgets 10 years into the future. It is clear that the further away from the current date that projections go the less certain the projections become, however they will allow Council to consider longer term views and options.

Councillor Jonathan McColl
Leader of the Council

Joyce White
Chief Executive

2. What is the point of a Financial Strategy?

2.1 The purpose of a Financial Strategy is to provide clear direction, supported by a practical framework and explicitly defined parameters, on how a Council will structure and manage its financial resources in the medium to long term to ensure they are deployed effectively to achieve corporate objectives.

2.2 This is not just another financial process - the Strategy forms an integral part of our Strategic Planning and Performance Management Framework which underpins the achievement of the vision and outcomes identified in the Strategic Plan and the Local Outcome Improvement Plan.

2.3 The Council has taken into account Guidance produced by the Institute of Public Finance (IPF) for local authorities in Scotland on developing a Financial Strategy as well as best practice from other local authorities.

2.4 The ambition of the Council is to produce a single, coherent Financial Strategy that brings together the corporate objectives of the organisation along with all the relevant financial information in a clear and accessible document covering a five to ten year period (and beyond where appropriate).

2.5 The value of such a Strategy is that it should enable the Council to understand the wider policy and financial environment within which it operates, identify and respond flexibly to opportunities and threats, manage and mitigate risks and ensure that financial resources are contributing to achieving corporate objectives.

2.6 The strategy will also provide information to a range of stakeholders:

Table 1 – Stakeholder Information

Stakeholder	Purpose of finance strategy
For the Council and Elected Members	to decide how available financial resources will be used and prioritised
For Chief Officers, managers and employees	to reinforce and support their roles in financial management arrangements
For residents	to show how the Council's Financial Strategy impacts upon service provision
For Council Tax and Rent payers	to demonstrate how the Council looks after public resources
For partners	to share the Council's vision and help identify opportunities for joint working

2.7 The Strategy identifies issues that will impact beyond the period of the strategy, so that the Council can plan ahead; it includes expenditure forecasts, and projected funding, where known.

2.8 Inevitably some of the information of the Financial Strategy will be based on assumptions and these will change over time - the Strategy will be reviewed and updated regularly so that the Council can respond proactively to any such changes. This is particularly the case the longer into the future the projections are taken.

2.9 The inclusion of information in the Financial Strategy, for example on a specific project in 2019/20 onwards, does not infer approval and all financial projections and issues will be subject to approval through the budget process and any appropriate Committee approvals.

2.10 The associated Strategic Planning and Budgeting framework will ensure there is a clear linkage between the strategic planning and budgeting processes.

2.11 This will also allow services to plan ahead, taking into account the resources available over the next three years to provide Members, management and residents information as to measures needing to be taken in year 1, detailed indicative figures for years 2 and 3 of the strategy, and less certain longer term projections out to year 10.

2.12 A key element of the strategy's development is to proactively identify opportunities to achieve efficiencies or secure alternative funding sources in assisting to fund the Council's priorities and objectives.

3. Financial Summary

General Services Revenue Budget

3.1 The budget process for 2019/20 was progressed through the Council in the normal manner and in order to balance the 2019/20 budget a range of approaches were agreed by Council in March 2019.

3.2 The budget balanced the 2019/20 budget and left target efficiencies to be determined for 2020/21 of £9.816m and a further £7.114m for 2021/22.

3.3 The detailed analysis has now been rolled-forward to 2022/23 and the reconciliation between the 2019/20 position and the 2022/23 position is provided at Annex 1. A projection to year 10 of the strategy has also been developed and is also shown at Annex 1.

3.4 A sensitivity analysis has been undertaken on the main areas of financial pressure to 2029/30 and this provides the range of anticipated outcomes in terms of future budget gaps based on a best case, worst case and likely case outcomes and for the next three years are shown as follows:

Table 2 – Outcome of sensitivity analysis – General Fund Revenue projections

The above illustrates that following the review of the financial position and under the "Likely" set of assumptions that the gaps for 2020/21 to 2022/23 has changed due to reviewed assumptions which are highlighted in Annex 2.

The expectation is that Council will plan on the likely case outcome above, however Members may consider a prudent approach and consider the worst case, or a position between these two projections.

GENERAL SERVICES: GAP ANALYSIS UNDER DIFFERENT SCENARIOS			
	2019/20 £000's	**2020/21 £000's**	**2021/22 £000's**
LIKELY PROJECTION	£5,644	£10,621	£16,871
BEST	£4,573	£8,998	£13,374
WORST	£7,150	£13,206	£19,234

Housing Revenue Account Budget

3.5 The HRA Budget for 2019/20 was agreed on 14 February 2019 with a 2% increase in rent for 2019/20. Draft forecasts for future years continue to indicate budget pressures in many areas: effects of the DWP Welfare Reform; the ongoing provision of housing which meet the Scottish Housing Quality Standards; and compliance with Energy Efficiency Standards. In setting the budget the expectation is that the HRA income will meet projected costs and therefore shows no funding gaps for 2020/21 to 2022/23.

3.6 A sensitivity analysis has been carried out for the HRA revenue account and shows the following range:

Table 3 – Outcome of sensitivity analysis – HRA Revenue projections

SCENARIOS	2020/21 £m	2021/22 £m	2022/23 £m
LIKELY	0	0	0
BEST	-0.006	-0.032	-0.036
WORST	0.283	0.807	1.632

Capital Budgets

3.7 A refresh of the General Services 10 year Capital Plan for 2016/17 to 2025/26 was agreed by Council on 24 February 2016 and updates were made and agreed at Council meetings on 22 February 2017, 5 March 2018 and 27 March 2019. The three years from 2019/20 to 2021/22 have been approved in detail with the remaining years being indicative at this stage.This long term capital plan takes into account revenue resource available to support capital investment into the future, however, as stated above a key element of the long term capital plan was to develop projects which generate funding (either capital receipts or revenue efficiencies) that can be used to fund the capital plan. Thus, the strategy considers any revenue implications to be funded to support the ongoing capital plan. The capital plan is due, based on approved policy, was reviewed for consideration at Council in March 2019, whilst in interim years updates will be undertaken to recognise changes in phasing, etc.

3.8 The 5-year Housing Capital Plan for 2019/20 to 2023/24 was agreed at Council on 14 February 2019.

3.9 Table 4 (below) provides a summary of the Council's projections for General Services and HRA Revenue and Capital for 2020/21 to 2022/23. At this point, Scottish Government Funding is unknown beyond 2019/20 and therefore assumptions have been made. Note these projections are based on the "likely" outcome from the sensitivity analysis identified at 3.4 and 3.6 above; together with a range of assumptions, as identified on Annexes 1 and 2.

Table 4 - Three Year Summary - Revenue and Capital

	2020/21 £000	2021/22 £000	2022/23 £000
General Services Revenue Budget	**230,848**	**235,966**	**241,864**
Funded by:			
Government Grant	(188,747)	(187,402)	(186,047)
Council Tax	(36,250)	(37,726)	(38,946)
Reserves	(217)	(217)	0
Cumulative Funding Gap	**5,644**	**10,622**	**16,871**
Housing Revenue Budget	**43,788**	**45,297**	**46,530**
Financing	(43,788)	(45,297)	(46,530)
Cumulative Funding Gap	**0**	**0**	**0**
General Services Capital Budget			
Anticipated Spend	**54,598**	**41,894**	**32,113**
Funded by:			
Prudential Borrowing	24,182	18,523	11,443
Capital Grant and Match Funding	21,173	18,903	16,312
Capital Receipts	9,243	4,468	4,358
Revenue Contributions	0	0	0
	54,598	**41,894**	**32,113**
Housing Capital Budget			
Anticipated Spend	**52,260**	**26,330**	**23,590**
Funded by:			
Prudential Borrowing	41,549	18,397	16,953
Capital Grant	4,594	2,360	2,360
Capital Receipts	0	0	0
Revenue Contributions	6,117	5,573	4,277
	52,260	**26,330**	**23,590**

4. National Context

The Financial Settlement

4.1 The Scottish Government has provided settlement figures for 2019/20 only at this stage. It is unclear at this stage whether the next settlement will cover only a single year – for 2020/21; or be a three year settlement – which is stated to be the hope of Minsters. Any three year settlement will likely need to be indicative due to unknown UK Government funding for future years.

The settlement for 2019/20 provided the Council with Revenue Grant/Non-Domestic Rates Income/Specific Grant of £187.063m.

4.2 When the Council's own projection of Council Tax Income based on a 97.25% collection rate is added (£34.797m) then the gross available resource for the Council in 2019/20 is budgeted at £221.860m.

4.3 For 2020/21 onwards there is no information available from the Scottish Government, however early indications from economic commentators suggest that for 2020/21 to 2022/23 it is very likely, based on recent UK Government spending announcements it wishes to provide additional funding in 202021. This strategy anticipates that this is likely to result in additional funding being made available to the Scottish Parliament in 2020/21 of around £1.2b. It is not clear at this stage as to how this will be used by the Scottish Government, as much of the new funding – from Barnett consequentials linked to additional UK funding for NHS, Education and Police, may well also be earmarked for such protected spend areas within the Scottish settlement.

Given the increase in UK Government funding to the Scottish Government and the "end of austerity" rhetoric at political party national conferences and pre General Election in late 2019, it is anticipated that this the overall settlement for 2020/21 onwards will be a 0.75% reduction in cash terms. These projected reductions include the anticipated impacts of demographic change.

In agreeing the Scottish Government budget for 2019/20 the Scottish Government provided Councils with additional funding, which for the Council was around £1.576m. Due to the nature of this additional finding and how it arrived with councils this strategy expects that this funding continues as a permanent distribution.

On top of the above consideration in terms of the general direction of Scottish Government funding the methods of distribution of a number of GAE indicators and a number of former rin-fenced grants has been undertaken. A report to COSLA Leaders on 25 October 2019 was approved which changed a number of GAE indicators from being based on historic spend to being based on more realistic indicators of need. As a result of this it is anticipated that the redistributional effect will be positive for West Dunbartonshire Council by around £2.5m. This value was calculated based on the 2019/20 distribution statistics (as 2020/21 is not available yet) and the impact will be mitigated by the Floor Calculation. The floor has not yet been set by the Scottish Government for 2020/21 and at this point it is estimated that this would mitigate the increase by £1.000m to £1.500m.

For 2018/19 to 2021/22 the anticipated Scottish Government funding is:

- 2019/20 £187.063m
- 2020/21 £188.747m;
- 2021/22 £187.402m; and
- 2022/23 £186.047m.

The above figures include £0.809m of new funding for full year effect of additional costs of teachers pension scheme is expected to be funded from Scottish Giovernment from 2020/21.

The level of funding from the Scottish Government anticipated in this strategy assumes Council will continue to meet the commitments required by the Scottish Government in future finance settlements.

Funding for Social Care

4.4 For the 2019/20 settlement new funding was provided through the Government to support Social Care. For 2020/21 onwards it is anticipated that the 2019/20 funding will continue to be provided by the Scottish Government. COSLA is pressing the Scottish Government to fully fund the implementation of the living wage and associated cost. Within this strategy it is assumed that there is further funding for living wage implementation from the Scottish Government.

4.5 The IJB manages the process to develop its budget taking account of the new funding from the Scottish Government alongside the funding reduction from the Council and this strategy which, via the likely scenario, expects that the Council will continue to provide funding to the IJB mirroring the anticipated funding reductions from the Scottish Government to the Council over the life of the strategy. This position will be considered by Council as the budget-setting process for 2020/21.

Council Tax Reform

4.6 During 2016/17 the Scottish Government announced that it plans to change the way that Council Tax operates in two ways:

1. Remove the freeze on Council Tax increases, allowing Councils to increase Council Tax by a maximum of 3%. However the funding previously provided to Council to support the freeze will no longer be provided.
2. If a Council decides not to increase its Council Tax by up to 3% then this will result in reduced funding – as the freeze support funding previously provided by the Scottish Government was worth around 3% of a Council Tax freeze. As a result, this strategy assumes that WDC will increase Council Tax by 3%; otherwise additional efficiencies will require to be identified and implemented.

However during the 2019/20 settlement process this was relaxed by the Government and an increase of up to 4.79% was allowed in setting the 2019/20 budget – which the Scottish Government described as being 3% which recognizes inflationary pressures. This Council decided not to utilize any of the available leeway and increased Council Tax by 3%.

Brexit

4.7 The ongoing Brexit negotiations between the UK Government and the European Union and the ongoing political discussion around Brexit wihin the UK present a risk to assumptions made on Scottish Government settlements. In recent UK Budget announcements the Chancellor of the Exchequer was clear that a “no deal” Brexit would be likely to require the Government to revisit Budget assumptions. It is anticipated that this would impact on the settlement to the Scottish Government and likely onto Councils. The extent of the risk around this is not quantifiable.

The UK Government has provided assurance that projects that are currently funded by EU funding would be funded by UK Government to 2021, if the projects are approved by EU prior to Brexit date.

5. Local Context

5.1 The environment within which the Council operates has changed significantly in recent years and is likely to alter further over the period of this strategy due to changes in legislation, policy and other national and local developments.

The Planning Context

5.2 The overall strategic framework within which the Council operates is outlined in the Strategic Planning and Budget Process which is published annually – this framework links the budgetary development process to the Strategic Plan, and Service Plans. The framework was revised to take account of the introduction of a Local Outcome Improvement Plan with the Council and its Community Planning partners.

5.3 The Council's draft Strategic Plan for 2017-22 sets out a clear vision:

'West Dunbartonshire Council will deliver high quality services, led by priorities identified by the communities of West Dunbartonshire, in an open and transparent way'

5.4 To achieve this vision for West Dunbartonshire, the Council will work with its key partners in the public, voluntary and community sectors, as well as the business community.

5.5 Members have acknowledged the overall challenge for the Council remains the expectation of ongoing funding reductions, balanced with the need to deliver sustainable services, encourage economic growth and develop long term management of our assets. The Strategic Priorities to 2017/22, agreed at Council on 25 October 2017, are:

- A strong local economy and improved employment opportunities;
- Supported individuals, families and carers living independently and with dignity;
- Meaningful community engagement with active, empowered and informed citizens who feel safe and engaged;
- Open, accountable and accessible local government; and
- Efficient and effective frontline services that improve the everyday lives of residents.

5.6 The Financial Strategy underpins the delivery of the vision, priorities and objectives identified in the Strategic Plan.

5.7 Community Planning West Dunbartonshire, (CPWD) is a partnership of agencies and groups from the public, third sector and community sector that are committed to working together to make a positive contribution to the development and well-being of the individuals and communities that reside in this area.

5.8 The Local Outcome Improvement Plan is a high level agreement between the CPWD and the Scottish Government. It identifies areas for improvement and sets out how the CPWD will deliver better outcomes for the people of West Dunbartonshire. This 10 year plan covers the period 2017-2027 and details the long term priorities for improving outcomes in West Dunbartonshire as agreed in September 2017.

5.9 The priorities agreed set the framework for the Council priorities as described in paragraph 5.5 above. The LOIP commits to reducing inequalities for our residents to deliver a West Dunbartonshire where:

- Our local economy is thriving;
- Our communities are safe;
- Our children and young people are nurtured;
- Our older residents are supported to remain independent; and
- Our residents are empowered.

Demographics

5.10 One of the most significant challenges facing West Dunbartonshire is depopulation and demographic change – this has been recognised as a priority by the Council.

5.11 The latest population statistics available (published April 2019) is the 2018 mid-year population which shows a population for West Dunbartonshire is 89,130; a small decrease of 0.53% from 89,610 in 2017. This represents a total population loss since the 2011 census (90,720) of 1.75% of the population. This continues the trend in population loss which began in the 1990's. In contrast the population of Scotland has risen by 2.7% since 2011 (5,295,403) to its current figure of 5,438,100. The population of Scotland increased by 0.24% in between 2017 and 2018 mid-year estimates.

5.12 Based on the 2018 mid-year population estimates, 17.6% of the population are under the age of 16 (16.9% for Scotland), with 65.1% of the population working age (65.4% for Scotland) and persons aged 65 and over making up the 17.3% of West Dunbartonshire's population (17.3% for Scotland). 14 Councils saw populations decrease over the year with 18 seeing an increase. West Dunbartonshire's reduction was joint third hihest in Scotland, the highest being Inverclyde with a reduction of 0.8%.

5.13 Even though the population has fallen slightly, the number of households is projected to grow. The structures of households and families will continue to be complex with a growing number of single adult households driven by the continuing high divorce rate, low rate of marriage, the rising numbers of children born to unmarried mothers and the ageing of the population.

5.14 The SIMD 2016 data shows that 40% of West Dunbartonshire's 121 data zones are in the most deprived 20% of all data zones in Scotland. West Dunbartonshire is one of five local authorities with the largest proportion of data zones in the 20% most deprived category.

5.15 In terms of economic context he Council area has:

- 19% of population in income deprivation versus the Scottish average of 13%;
- 24% of children in the area living in poverty versus the Scottish average of 17%; and
- 3.7% of working population claim JSA versus he Scottish average of 2.3%.

5.16 Scottish Government funding to Councils is linked to a number of indicators of need, which are known as the Primary Indicators used to generate the Grant Aided Expenditure (GAE) for all Councils in Scotland. In the 2019/20 GAE of the Primary indicators, 38% are linked directly to school pupil indicators and 23% are linked directly with population. In effect this means that 61% of all indicators are linked directly to demographics. If the West Dunbartonshire population (including school pupil numbers) falls, relative to the average position for the rest of Scotland, this is will have a direct impact on funding received from Scottish Government.

5.17 Even with additional GAE allocations and Secondary Indicators which aim to take account of deprivation Scottish Government funding is likely to reduce if population decline in West Dunbartonshire continues in comparison with the rest of Scotland. Based on current population projections for West Dunbartonshire (in comparison to Scotland) and the primary indicators used in the generation of the GAE (pupil numbers and general population) it is anticipated that West Dunbartonshire's share of government support will continue to reduce.

5.18 Based on the most recent (2018) national population projections for the next 10 years (to 2028) showed Scotland expected to increase its population by 1.7%). The

most recent Council level projections showed, in 2016, West Dunbartonshire being projected as a 0.7% reduction. This is likely to changes as national projections have reduced significantly. A number of years ago the future reduction in projected population to 2037 is illustrated in Table 5 which shows the Council and Scottish population projections and the proportional change expected for West Dunbartonshire. This is significant as in other population analysis the current projection to 2039 of the Scottish population shows the percentage of the Scottish population which resides in West Dunbartonshire is expected to reduce from 1.7% in 2014 to 1.46% in 2039. This is due to an expected ongoing decline in West Dunbartonshire while the total for Scotland is anticipated to increase

Table 5 – Population projections 2012 to 2037

	West Dunbartonshire Council					
	Base Year	Projected Years				
Age Group	**2012**	**2017**	**2022**	**2027**	**2032**	**2037**
0-15	15,913	15,796	15,915	15,318	14,481	13,530
16-29	16,034	15,163	13,765	13047	13,151	13,215
30-49	24,489	21,954	20,619	20,485	19,477	18,355
50-64	18,633	19,976	19,992	17,950	15,584	14,258
65-74	8,388	9,276	10,038	11,074	12,133	11,640
75+	6,883	7,160	8,031	9,187	10,459	12,063
Total	**90,340**	**89,325**	**88,360**	**87,061**	**85,285**	**83,061**
	Scotland					
	Base Year	**Projected Years**				
Age Group	**2012**	**2017**	**2022**	**2027**	**2032**	**2037**
0-15	914,700	919,300	954,500	965,600	973,200	965,000
16-29	975,800	967,300	910,100	895300	909,300	938,600
30-49	1,450,700	1,387,600	1,389,000	1,436,600	1,441,400	1,424,500
50-64	1,046,600	1,109,300	1,141,800	1,077,200	1,006,500	979,100
65-74	507,300	563,900	589,500	634,700	693,400	694,400
75+	418,500	459,600	534,700	616,400	689,700	778,700
Total	**5,313,600**	**5,407,000**	**5,519,600**	**5,625,800**	**5,713,500**	**5,780,300**

	WDC as percentage of Scotland					
	Base Year	Projected Years				
Age Group	**2012**	**2017**	**2022**	**2027**	**2032**	**2037**
0-15	1.74%	1.72%	1.67%	1.59%	1.49%	1.40%
16-29	1.64%	1.57%	1.51%	1.46%	1.45%	1.41%
30-49	1.69%	1.58%	1.48%	1.43%	1.35%	1.29%
50-64	1.78%	1.80%	1.75%	1.67%	1.55%	1.46%
65-74	1.65%	1.64%	1.70%	1.74%	1.75%	1.68%
75+	1.64%	1.56%	1.50%	1.49%	1.52%	1.55%
Total	**1.70%**	**1.65%**	**1.60%**	**1.55%**	**1.49%**	**1.44%**

5.19 The chart below also indicates the forecast change in population for West Dunbartonshire Council in comparison to other council areas in Scotland between

2014 and 2039. It can be seen that this Council is projected to decline in population by 6.7% (fifth highest drop in Scotland), with the Scottish average to increase by 6.6%.

Chart 1: Projected percentage change in population, by Council area, 2014 - 2039

Source: National Records of Scotland

5.20 The projected population movement will have an impact on all service areas, particularly Education and Social Care, where there will be a need to actively manage the transition from current service delivery arrangements to new models that are built around the needs of the future population.

5.21 As can be seen from the West Dunbartonshire projections the only age groups with projected growth to 2037 is for the two bands for those aged 60 and over. This has the potential to become a significant issue if population decline in younger aged population in not halted or, ideally, reversed over this period. The Council is aiming to increase total housing supply over the period to 2022 by 5,000 houses; this may mitigate this downward trend; however it will be noted that the Scottish Government is aiming to increase house numbers across Scotland.

5.22 The deprivation profile will have major implications for services as research indicates that those vulnerable to poverty are more likely to require greater social intervention and a targeted focus to move out of poverty. There is evidence that poverty has been exacerbated by the implementation of austerity measures by the UK Government, particularly in relation to benefits payments.

5.23 The predicted demographic changes also have other implications. A decline in younger economically active people with a growth in the older, more vulnerable age

group with fewer informal carers. This is likely to result in a higher dependency on services provided, such as Social Care.

6. Financial Management

Corporate Governance

6.1 The Council positively promotes the principles of sound corporate governance within all aspects of its activities.

6.2 Corporate governance is about the structures and processes for decision-making, accountability, controls and behaviour throughout the Council. It is based around key principles of openness, equality, integrity and accountability.

6.3 The fundamental principles of corporate governance should be reflected in the various dimensions of Council business, including:

- Ensuring a community focus underpins the Council's vision and priorities;
- Ensuring the effective delivery of local services on a sustainable basis;
- Establishing effective management structures and processes which include clearly defined roles and responsibilities for officers;
- Developing and maintaining effective risk management systems that form part of the Council's strategic decision making process;
- Ensuring high standards of propriety and probity in the stewardship of the Council's funds and the management of the Council's affairs; and
- A commitment to openness in the Council's affairs and the provision of full, accurate and clear information to all stakeholders.

6.4 The Council's Financial Regulations and any amendments are approved by Council and are an essential component of the corporate governance of the Council.

6.5 The Chief Financial Officer (CFO) or 'Section 95 Officer' has been designated as "the proper officer" and is responsible for advising the Council on all financial matters including the determination of Accounting Policies. This role is part of the responsibility of the Strategic Lead - Resources.

6.6 The Financial Regulations are designed to facilitate the smooth running of the Council, protect its interests and the interests of members and officers, and ensure the proper administration of the Council's financial affairs.

6.7 Head Teachers must comply with the Financial Regulations, with the exception of virement which is defined for schools within the Council's scheme of Devolved Management of Resources Scheme (DMR).

Roles and Responsibilities

6.8 It is important to set out clearly the roles and responsibilities of the key parties involved in the Financial Strategy and the management of overall financial resources of the Council. Further detail is noted within the Financial Management and Control Code of Practice.

Elected Members

6.9 Council Members, through the Full Council and Committees are responsible for considering, monitoring and approving budgets and the overall Financial Strategy for the Council. Approved budgets must be financially balanced and demonstrate value for money and sustainability.

6.10 The Audit and Performance Review Committee, with representation from Members as well as lay-persons, scrutinises performance and management of resources of the Council, with internal and external audit information reported. The Council's year end position and relevant audit comments are reported and monitored at this Committee, as well as to Council.

6.11 Throughout the year Council and Committees receive reports which allow progress against approved budgets to be scrutinised. All members are provided with the opportunity to attend appropriate training in the areas of Financial Strategy, Local Government Finance and key specialist areas such as Treasury and Risk Management. Members' personal development opportunities are provided through an ongoing annual programme of seminars which will include updates on financial aspects.

Corporate Management Team

6.12 The Chief Executive, Strategic Directors and the Strategic Leads form the Corporate Management Team (CMT), chaired by the Chief Executive. The CMT is responsible, individually and collectively, for ensuring that best value and value for money is achieved across the Council, in service delivery, internal processes and systems of control, procurement of goods/services and the use of assets.

6.13 As Budget Holders, members of the CMT are responsible for the budgets delegated to deliver the services within their respective Directorates in line with the priorities of the Council. Whilst they may delegate this responsibility within their Directorate they remain accountable in exercising overall financial control.

Chief Financial Officer

6.14 The CFO has a statutory role to ensure that appropriate arrangements are in place for the proper administration of the financial affairs of the Council. The CFO has the authority to comment on any financial decision and advises CMT, Chief Executive and elected members on all financial matters. As noted above, this role within responsibility of the Strategic Lead - Resources, under the current structure.

Strategic Directors and Strategic Leads

6.15 Strategic Directors and Strategic Lead officers are responsible for ensuring that the services within their remit are delivered in line with the agreed policy, and support the strategic direction of the Council. As Budget Holders they are responsible for the budgets delegated to them to deliver their service in line with the priorities within the Strategic Plan.

Finance Business Partners

6.16 The main role of the service-linked Finance Business Partners is to advise the Strategic Directors and Strategic Leads and their management teams on all financial matters and to be responsible for the preparation of budget reports. They will also provide specialist advice and general guidance on financial systems including rules and procedures

6.17 However responsibility for budgetary control lies with the Strategic Directors and Strategic Leads as delegated budget holders, together with their associated Service Managers.

Internal Audit

6.18 Internal Audit provides assurance to Elected Members, the Chief Executive and management that the internal processes of the Council are being managed

appropriately in line with the overarching policies and outcomes are being delivered in the most efficient and effective manner.

External Audit

6.19 The role of External Audit is to provide assurance to the Auditor General and the Accounts Commission that the Council has spent public money properly to deliver outcomes in an efficient and effective manner.

6.20 They provide assurance to elected members, the CMT and general public that the Council's performance is reported in accordance with the extant financial standards and presents a fair account of the Council's activities.

Managing the Budget

6.21 The Council has an effective method of developing both the revenue budget and capital programme that has aims to align resources with the strategic outcomes the Council wants to achieve for the area.

Revenue Budget - Pressures and Savings

6.22 The current process for considering the development of the revenue budget is undertaken collectively between the CMT and individual political groups. The process is undertaken with due consideration of, and agreement on, current policy and financial parameters for the budget, corporate and political expenditure pressures and/or savings options.

6.23 The CMT collectively evaluates all expenditure pressures and savings options to ensure that they are sufficiently robust and deliverable.

6.24 All pressures and savings options generated are evaluated in the context of the current Strategic Plan, which informs consideration by both the CMT and individual political groups. In generating these options due regard is made to the Council's equalities and environmental sustainability policies.

Public Private Partnership

6.25 In 2008/09 the Council reached financial conclusion on a PPP project. Unitary Charges became due payable in 2009/10, along with savings, Government financial support and the use of a Sinking Fund to pay for these charges (which Council agreed to reschedule on 27 March 2019). The Council's Facilities Management Service is involved in providing services to the Council (catering, grounds maintenance and cleaning services). BAM is the company contracted to provide the PPP buildings and managing the PPP project. Administration and monitoring of the project continues to be strictly managed. The new Our Lady & St.Patrick's High School is funded through the updated Scottish Government Non-Profit Distributing approach where the Scottish Government provides ongoing revenue support for the school's provision.

6.26 The Council's ongoing budget build-up takes into account the full value of the annual unitary charge for the provision of the schools together with the ongoing revenue support provided by the Scottish Government.

Capital Programme

6.27 The Council is committed to developing its strategic financial planning. As referred to above, a process was developed which allowed the Council to agree a 10 year General Services capital plan in conjunction with agreeing the revenue budget. The agreement of this plan has allowed the Council to more accurately project the effect of capital projects on the revenue budget, considering both costs and efficiencies, as

well as levels of prudential borrowing on spend to save initiatives. This also allows the Council to forward plan on funding aspects of the Council's strategic commitments. As stated elsewhere in this document the HRA investment plan has been reviewed in setting the budget for 2019/20 onwards with a five year plan and a 30 year finance strategy.

Service Specific Funding (Ring-fenced funding)

6.28 With changes in Scottish Government Settlement due to the introduction of the Concordat, there remain some small areas of ring-fenced Government funding. In essence, the reduction of ring-fencing allows the Council to prioritise which services it aligns resources to, whilst recognising statutory duties, Strategic Plan priorities and our local outcome agreement. In recent years the levels of ring-fencing of new funds from the Scottish Government has increased. Recent new funding provided by the Scottish Government has tended to be ring-fenced reflecting the priorities of the Scottish Government.

Time Limited Funding

6.29 The following issues need to be considered when considering time limited funding:

- Clear monitoring that the funding is delivering and achieving the required impact, within the approved funding level;
- Such funding should not result in any ongoing commitment for the Council and the project or initiative should cease once the funding ends - this should be clear from the outset with severance costs and other termination costs factored into the overall budget for the project or initiative; and
- If this type of funding has been used to pilot a new approach to develop services in line with corporate priorities, a full evaluation of the financial and service implications would be needed before consideration is given to ongoing funding.

6.30 The overall reduction in the level of ring-fenced or time limited funding may minimise the need for this type of approach but it is important that it is included as part of the overall Financial Strategy.

Additional Income

6.31 There is a need to ensure that any additional income to the Council, for example from the Scottish Government or a partner organisastion, should be considered through a structured process that would allow initial appraisal. This will ensure that all relevant factors are taken into account and that provision is made for administration costs, any time constraint on the funding is considered and, where necessary, provision is made for severance costs.

6.32 The overall reduction in the level of ring-fencing by the Scottish Government may reduce the need for this type of approach but is important that it is part of the overall Financial Strategy.

Income Generation

6.33 The generation of income is an important aspect of the overall financial strategy and continues to be reviewed annually by the CMT and Council, through the budget process. . A review of all charges as part of the approach to commercialization was undertaken during the build-up to setting the 2019/20 budget and a revised set of charges was agreed. For the purpose of this strategy an assumption has been made that charges that are set by Council will not be uplifted at 4% on an ongoing basis,

except for those services where charges are either statutorily defined, or not permitted to exceed the cost of provision.

Contingency

6.34 Based on the Contingency Fund Policy if unplanned savings are identified by services, i.e. are outwith their control, these savings are removed through virement from service budgets to the Council's Contingency Fund. Services also have the right to apply for funding from the Contingency Fund during the year for costs arising outwith their control. A copy of the policy is appended as Annex 3 to this strategy.

Freedoms and Flexibilities

6.35 Virement between budgets are allowed, subject to the limitations and approval requirements identified in the Financial Regulations. All virements require to be authorised through the Virement Approval Form to provide a clear audit trail.

Council Tax

6.36 The council tax was frozen in line with the concordat agreement with the Scottish Government between 2008/09 and 2016/17. Funding was been made available through the financial settlement equivalent to a 3.14% increase in council tax each year. As stated above the freeze was removed for 2017/18 though a cap at a 3% increase was imposed through the funding settlement and in 2019/20 the Scottish Government allowed an increase of up to 4.79%, though the Council decided to increase at 3% for 2019/20. It is anticipated within this strategy that the council tax will be increased in future years at 3% though it is expected the Government will allow a higher level of increase again in 2020/21 and onwards. Current Band D is equivalent to £1,234 in comparison to the Scottish average of £1,251.

6.37 Due to proactive debt collection management, the Council continues to show a steady and consistent improvement in collection performance over the past few years, increasing the in-year collection rate by 5.78% since 2005/06 to 95.41% in 2018/19. In recognition of this steady improvement in performance full collection rates anticipated for the purposes of this strategy have been revised upwards to 97.5%, from 97.25%. Due to the current financial climate (including the, as yet, unknown local economic impact of ongoing welfare reform and austerity), the levels of debt written off by the Council due to sequestrations and trust deeds, the levels of bad debt provision will be subject to annual review during the budget setting process.

6.38 Analysis has been undertaken of the number of houses within the Council area in order to accurately predict Council Tax yields going forward. As a result of this an additional £0.250m per annum is expected in 2020/21 and 2021/22 and a further £0.150m per year thereafter.

7. Financial Outlook

7.1 Key financial issues are known or anticipated events and activities which will have to be addressed within the Council's overall financial resources in the short-term (within three years), medium-term (within five to ten years) or long-term (over ten years). Annexes 4, 5 and 6 provide an analysis of issues in the short, medium and longer term, and some of these are discussed further in this section.

7.2 Events and activities includes efficiencies, planned savings, changes to service priorities and delivery, and known potential pressures - the financial impact of an event or activity may be one-off, recurring or time-limited.

7.3 West Dunbartonshire Council is expected to receive Scottish Government Funding of £188.747m in 2020/21.

7.4 When the Council's own projection of Council Tax Income based on 97.5% collection rate of £36.250m is added then the budgeted gross income for the Council in 2020/21 is £224.997m.

7.5 This Financial Strategy provides detailed revenue forecasts covering the next 3 financial years, 2020/21 to 2022/23. The forecasts for the first year being more accurate as expected levels of demand and cost for Council services are more likely to be accurate in 2020/21 than in future years. The level of Scottish Government funding for 2020/21 onwards is not yet known and will be announced in mid-December 2019. The strategy projects that ongoing funding will be higher than had been assumed in the previous financial strategy, due to the likely impact of the relaxation / "ending" of UK austerity measures, due to demographic change and due to GAE distributional changes described above.

7.6 The level of resources available to the Council to fund its revenue expenditure is also dependent on Council Tax. The Financial Strategy currently assumes an increase for 3% for each year from 2020/21 to 2022/23.

7.7 As part of the budget process for 2019/20 the Council agreed a Reserve Strategy which identifies an optimum target for an unallocated Prudential Reserve of £4.192m for General Services and £0.850m for the HRA.

At present this strategy assumes that the Prudential Reserve is calculated in the same manner for the period to 2020/21 onwards. The position regarding reserves will be reviewed in setting the budget for 2020/21 in March 2020.

7.8 In the annual report from the Council's external auditors the value of the Council's usable reserves was highlighted as a risk. It was highlighted that, whilst generally operating within budgets each year, the level of usable reserve is low in comparison to other Councils in Scotland.

This reserves position needs to be considered in light of the ongoing financial challenges faced by the Council, and the overall position of the Reserves was considered as part of the budget process for 2019/20 and will continue to be reviewed on an annual basis, see Section 10.

7.9 In their annual report in September 2017, the Council's external auditors recommended that the Council develop a longer term approach to financial planning. To this end, for the first time the long term finance strategy reported to Council in October 2017 included projections for a 10 year period. This continues as standard practice and Annex 1 to this document projects the Council's finances for a 10 year period – to 2029/30. Clearly the longer into the future that projections are made, the less accurate the projections will be, however it is anticipated that the longer term approach will allow the Council to consider longer term approaches to financial planning.

Short to Medium Term Revenue Issues

Leisure Trust

7.10 The West Dunbartonshire Leisure Trust, commenced on 5 April 2012 and the Strategy reflects both costs and benefits going forward. Since the start of the Trust

up until now the Trust has not resulted in any additional financial pressures. In February 2015 Council approved the transfer of Outdoor Recreation services to the Leisure Trust. The report from the Barclay review of the operation of Non-Domestic Rates in Scotland in 2017 recommended that the charitable relief provided to Leisure Trusts should be ended. The Scottish Government's response has advised that this won't happen and those Trusts which are in place will retain the charitable reliefs; though any new Trusts or additions to Trusts would be able to get reliefs but would result in the relevant Council losing an equivalent sum in Scottish Government revenue funding. This will act as a disincentive for Councils to create new Trusts or expand existing Trusts as one of the main benefits was in relation to gaining a saving in rates.

DWP Welfare Reform

7.11 The UK Government's emergency budget (22 June 2010), the Comprehensive Spending Review proposals (20 October 2010) and the Welfare Reform Bill (February 2011) have confirmed a number of changes to Housing Benefit and Council Tax Benefit currently administered by the Council on behalf of the Department of Works and Pensions (DWP), as well as other Welfare Benefit changes.

Following the "emergency" UK budget of 8 July 2015 it is clear that further UK-wide steps to reduce the DWP budget will introduce further challenges for residents of West Dunbartonshire. The main impacts are likely to be in the ongoing controls being placed around benefits payments, as follows:

- No automatic housing benefit for 18- to 21-year-olds;
- Free 30 hours of childcare for three- and four-year-olds;
- Freeze working age benefits for four years;
- Rents in social housing cut by 1%;
- Child tax credits restricted to two children by 2017;
- Benefits capping; and
- Cuts to employment and support allowance payments for new claimants deemed capable of "work-related activity".

This not only has potentially significant impact on the Council financially (both in HRA and General Services budgets) but also strategically. These changes will further reduce the general spending power of the residents of the area and are likely to lead to increased elective demand for Council services, or result in further reactive spend by the Council.

7.12 The financial effects to the Council (and its residents) of Welfare Reform commenced in 2013/14 and continues. Limited information is known on the overall impact to the Council and its residents.

Assumptions have been made on the information available and this has been worked through this Financial Strategy, but will require to be reviewed on an ongoing basis as more information becomes available. Further action is being taken on non-financial strategic areas to best minimise the impact of the reform to residents within the Council area. There is an expectation that elements of the reforms will be funded, either in full or in part, and discussions are ongoing between COSLA, the Scottish Government and the UK Government. The assumptions currently made around the continuing financial effects of Welfare Reform as it develops in this document will vary (potentially significantly) by the date of setting the budget for the years to 2018/19.

7.13 Universal Credit started to roll-out in West Dunbartonshire in February 2015 on a limited approach which will build over time and full implementation commenced in June 2018.

7.14 At this time, the full impact to the Council of the changes already made by the Department of Works and Pensions are available, as many of the changes have been in place at least since 1 April 2013. The strategy has been updated to reflect the better intelligence following these implemented changes. The main financial issues arising from Welfare Reform are as follows:

- **Introduction of a benefit "cap" was introduced from July 2013.**
  This affects a number of residents and has a financial impact on the Homelessness budget where the Council is in receipt of Housing Benefit to cover the rental and service charge payment for people who use this service. The impact of the cap has been slower than anticipated and assumptions around the ongoing impact have been revised due to experience since July 2013. The value of the cap was reduced from November 2016 to £20,000 for a couple or person with children and £13,400 for a single person.

- **Transition from Housing Benefit to Universal Credit**
  Universal Credit started to roll-out on a limited approach in West Dunbartonshire in February 2015. However, a review by Department for Work and Pensions, Universal Credit ended in West Dunbartonshire and other non-full service areas from 31st December 2017 and legacy benefits were reinstated.

  Full service Universal Credit is due to commence in November 2018 in West Dunbartonshire which has potentially significant impact on the Council financially (both in HRA and General Services budgets). Full service will further reduce the general spending power of the residents of the area and is likely to lead to increased elective demand for Council services, or result in further reactive spend by the Council.

  New Social Security powers allowed the Scottish Government to introduce The Scottish Universal Credit Choices which is available for applicants in full service areas.

7.16 The Scottish flexibilities allow citizens to:

- have the option of being paid Universal Credit twice a month rather than monthly; and
- have the option of any Universal Credit Housing Element being paid directly to landlords.

Following the roll-out of full service Universal Credit, a planned migration of existing cases will be complete by 2023. Discussions have been ongoing between COSLA and Department for Work and Pensions in relation to the migration of cases, with COSLA seeking information on the planning due to the scale and complexity of what is involved with 19 different combinations of legacy benefits under payment. There are major funding issues for local authorities, since funding will further decline as the working age Housing Benefit caseloads reduce.

As part of the roll-out process the UK Government have reacted to some feedback provided from Councils and organisations such as COSLA as to the

impacts on society and on local authorities and two recently announced changes are:

- Housing Benefit 2- week transition payment introduced from April 2018; and
- Temporary Accommodation housing costs are now paid from Housing Benefit for new claims from April 2018.

Employee Pay Awards

7.17 Future employee pay awards have been agreed up to 2021/22 and reflected in this updated stratecy. However, for the purpose of the Finance Strategy 3% has been assumed from 2022/23 onwards, as the government position on capping public sector pay awards has been removed. Part of the current pay award included agreement that Councils would implement revised pay structures in order to consolidate the Living Wage into pay structiures by March 2021. This work is ongoing and it is anticipated that this will have a financial cost; however this has not yet been finalised.

Demographic Change

7.18 As identified from section 5.11 above, the population change projected in 2018 is expected to have an adverse effect on the Council's funding settlement from the Scottish Government and this has been built into the strategy, as described above.

Holiday Entitlement for overtime worked

7.19 Recent case law developments identify an issue regarding the appropriate payment or provision of annual leave for time worked outwith normal contractual time. This issue has the potential to result in claims for pay for holidays not provided and additional costs have been built into the projections from 2014/15. The cost of this is already built into budgets and the Council has a contingent liability noted within the annual accounts for 2018/19.

Long-Term Revenue Issues

7.20 Looking beyond 2020/21 is difficult with significant uncertainty around how local authorities will be funded let alone the level of funding likely to be available.

Depopulation and Population Change

7.21 As stated above, the most significant longer-term challenge facing West Dunbartonshire is depopulation and associated demographic change – this has been recognised as a priority by the Council and is reflected in the Strategic Plan.

7.22 The fundamental issue for the Council is that if the decline in population continues then Council funding and service provision will come under ongong increasing pressure. Population change will affect both General Fund and the HRA.

7.23 The population of West Dunbartonshire is projected to decrease to 83,061 by 2037, a drop of 6.8% from the current population.

7.24 In addition to population decline, the numbers of older people living within the Council area is expected to increase significantly with the pensionable age population to increase by 55% (75% in the group 75+) between 2012 and 2037. This is expected to result in additional demand for Council services such as Social Work. The Scottish Government has identified this issue as a significant risk across Scotland and has identified further funding in the shorter term to support this,

however the longer-term approach of the Scottish Government is not known at this stage.

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Government Funding

7.25 Future levels of local government funding are difficult to predict with political views generally being expressed that austerity is currently ended nd there will be more public sector spending in the next few years. However the impact of Brexit is not yet known. This strategy assumes a 0.75% underlying decrease in funding for 2020/21, though this is primarily due to changes in GAE distribution methodologies. As such, this projection of increased funding will clearly be subject to reconsideration as the settlement becomes available in December 2019. At this time, a further reduction of 0.75% has been assumed for 2021/22 to 2022/23. Longer term projections of funding over a 10 year period have been made at an average reduction in funding of 0.75%, though there is no certainty as to such assumptions.

Other Variables

7.26 Costs associated with sustainability including waste disposal and recycling, carbon management, energy and fuel costs and general procurement are not easy to predict due to policy change recently on waste disposal. The Council requires to revise the methodology for waste disposal and this is likely to require a capital investment.

7.27 Interest rates on borrowing from the Public Works Loan Board (PWLB) have been at historically low levels for a number of years. However, in October 2019 the Government increased rates by 1%. This is likely to have been mainly as a result of significant speculative borrowing by a number of Councils in England; and to allow some leeway for possible reductions following Brexit. Even with the increase in the rate the cost of borrowing remains low and there are also a number of other options available which officers will review and consider as and when borrowing is required.

7.28 Future iterations of this strategy will continue to review the effects of the above key issues.

Capital Projections

General Fund

7.29 The Council agreed it's first Capital Strategy at Council on 27 March 2019, in line with updated best practice. This strategy links asset management plans to the Council's approach to capital investment and to the Capital Plans.

7.30 An update to the General Services 10 year Capital Plan for 2019/20 to 2028/29 was agreed by Council on 27 March 2019. This long term capital plan takes into account revenue resource available to support capital investment into the future. The capital plan has been reviewed to reflect new expected dates of delivery of projects as part of this strategy as part of the loan charges update. The next full review of the capital plan will take place in 2021/22.

7.30 It is recognised that significant investment is required to improve the Council's asset base (as is described in the Council's Asset Management Strategy). As stated above the 10 year capital planning approach requires funding to be identified for future levels of capital investment and elements of this funding will require additional borrowing. The capital plan has been agreed in detail for 2019/20 to 2021/22 and in outline for 2022/23 onwards, thus revenue implications are now included in the gap analysis. For illustrative purposes, current interest rates suggest that an investment

in new build properties will require revenue support (if funded through prudential borrowing) is estimated to be as follows:

Capital Investment	Annual Revenue Implication (over 60 years)
£10m	£0.294m
£20m	£0.588m
£30m	£0.882m
£40m	£1.176m

7.31 Close management controls and monitoring arrangements require to be in place to ensure that the funding anticipated arising from efficiencies are actually generated and that other sources of funding are achieved to support the capital investment. If there is a shortfall in these areas then the burden will fall back on the revenue budget requiring additional savings to be made.

City Deal

7.32 The Council is a member of the Clyde Valley Community Planning Partnership which has identified an opportunity for major infrastructure investment in the West of Scotland under the City Deal approach. The Council has a project within the capital regeneration spend of the City Deal – Exxon site. The anticipated financial impact of this project has been built into the capital plan. The final financial impact will be considered by Council as part of the business case approval process.

Housing Revenue Account

7.33 The Council's housing stock required much investment to meet Scottish standards by 2015. This target was met in 2015 however ongoing works are required to maintain at this level and to implement improvements in relation to energy efficiency standards. This has been built into the updated 5 year capital plan for the HRA approved on 14 February 2019.

7.34 The Council has secured Scottish Government Grant funding towards the construction of new council houses. The Council is committed to the delivery of new Council homes for rent and plans for future investment have been agreed and have been subject to ongoing reports to the Housing and Communities Committee. The capital plan approved on 14 February 2019 included significant investment plans for new council housing, recognizing ongoing expected increase in demand for social housing.

8. Key Organisational Issues

Best Value Assurance Report (BVAR)

8.1 As part of the national approach to ensuring Best Value across Scotland, Audit Scotland has reported a Best Value Assurance Report on West Dunbartonshire Council to the Accounts Commission on 7 June 2018. The key messages from this report were:

- Since the last Best Value report in 2007, the council has made significant improvements in how it works. The council now demonstrates a focus on delivering Best Value and the auditors found evidence of continuous improvement in services;
- Since 2007, changes to the senior officer team, including the appointment of the current Chief Executive in 2011, have played a key role in the

improvements the council has made. Officers and councillors from all parties work well together for the benefit of the residents of West Dunbartonshire;

- Overall, service performance is improving and most residents who have provided feedback to the council are satisfied. The council maintains a steady pace of change that has led to improved outcomes in its priority areas including housing services and educational attainment amongst schoolchildren;
- The council's latest Strategic Plan 2017-2022 lays out a focused and ambitious vision for the period, which reflects the needs of its community. There is evidence to demonstrate that the views of the community influenced council budget-setting and decision-making. The Strategic Plan is clearly aligned to the Community Planning Partnership's strategic priorities;
- The Strategic Improvement Framework provides a structured and practical approach to help council services to continue to improve. The council has demonstrated a commitment to delivering services differently in West Dunbartonshire and is working well with partners to achieve this;
- The council has a good record of delivering services within budget. It has developed both medium and long-term financial plans. However, it has a projected funding gap of £13.9 million for the three years to 31 March 2021, which will be a challenge to make up. Service reform needs to continue;
- In recent years, the council has significantly expanded its capital budget, which pays for projects such as buildings and roads. But there is a trend of significant slippage in the capital programme, which means that a number of projects are being finished late. The council now needs to strengthen project planning and management;
- The council has a detailed organisation-wide, five-year workforce plan and individual service specific workforce plans; and
- The 2007 Best Value report highlighted that scrutiny in the council needed to improve.
- There is evidence of significant improvement in this area, with members working together and demonstrating stronger scrutiny.

The Best Value Assurance Report contained five recommendations relating to:

- Reviewing project management processes;
- Further development of workforce plans;
- Staff absence levels;
- Further developing the role of the community alliance; and
- Cross-party working amongst Councillors to address the financial challenges which exist and the important decisions required in the future.

Progress on the implementation of these actions has mainly been implemented and progress has been reported to Members on an ongoing basis.

External Scrutiny – Shared Risk Assessment (SRA)

8.2 In response to comments from Councils over several years about the burden of the range of scrutiny regimes in place, Professor Lorne Crerar was commissioned to conduct a review of regulation, audit, inspection and complaints handling of public services in Scotland. Following this review it was determined that scrutiny of public services needed to be streamlined.

8.3 The result is that the scrutiny bodies have adopted a SRA approach and the output from this collaborative approach which involves joint scrutiny by the following agencies:

- Audit Scotland;
- Education Scotland;
- Care Inspectorate; and
- Scottish Housing Regulator.

8.4 The outcome of the most recent SRA identified the areas of specific scrutiny to be reviewed during 2019/20 were: homeless people services and standards of gypsy traveler sites.

A focus on strategic leadership

8.5 The Strategic Leadership Group oversees and coordinates progress on the key issue of improving leadership. Its prime aims are:

- to develop a synergistic approach to influencing relations with Members;
- to drive the strategic priorities and Member involvement;
- to ensure a corporate approach to key initiatives, through refining decision-making processes, reviewing the progress of the key strategic priorities, overseeing better financial planning, improving scrutiny arrangements and overseeing the implementation of the Council's new self-evaluation model; and
- to ensure appropriate focus is placed on the accountability of lead officers and members and appropriate governance arrangements are maintained.

Strategic Asset Management Group

8.6 This group addresses overall corporate asset issues at a strategic level with a view to maximising Council resources in the form of the Council's Asset Management Strategy

9. Treasury Management

9.1 West Dunbartonshire Council has adopted the CIPFA "Treasury Management in the Public Services – Code of Practice" which sets out good practice for treasury management governance. The Council must also comply with legal and regulatory requirements in relation to its Treasury Management activities.

9.2 The Council has appointed consultants to provide advice on Treasury Management issues, including technical issues and the formulation of views on interest rates.

9.3 In complying with the Code of Practice, the Council produces a Treasury Management Practices document which sets out how the Council will manage and control its Treasury Management activities.

9.4 The following reports and briefings are also submitted to Council and Committee in accordance with the Code of Practice:

- An annual Treasury Management Strategy submitted at the start of the financial year and which includes the Council's Prudential Indicators and covers issues such as the economic situation, the prospects for interest rates, and the Council's borrowing and investment strategy for the coming year;
- Quarterly Treasury Management Monitoring briefing notes which include details of interest rates, debt and investment positions and debt restructuring activity;

- An Annual Report for Treasury Management submitted before the end of September each year and which advises members of Treasury Management activities during the previous financial year; and
- Each financial year a mid-year strategy review is also been prepared and remitted to Council.

9.5 The table below shows the Council's debt and investments position as at 31/03/19:

Table 6 – Council's Debt and Investment Position – 31/03/19

Treasury position	31-Mar-19	
	Principal	Average Rate
Fixed Interest Rate Debt	£441.370m	2.51%
Variable Interest Rate Debt	£0.000m	0.00%
Total Debt	**£441.370m**	**2.51%**
Total Investments	**£19.389m**	**0.64%**
Net borrowing position	**£421.981m**	

9.6 During 2015 Audit Scotland produced a national report "Borrowing and Treasury Management in Councils". This report provided a range of recommendations for improved practice. Two of the main issues were:

- Providing longer term understanding of the revenue impact of capital investment decisions; and
- Providing a sensitivity analysis for future projections to show what impact changes in cost factors may have on the revenue position. For capital issues the main variable is the cost of borrowing.

9.7 The Council's revised 10 year capital plan, agreed March 2019, provides Members with information as to how the recommended projects are planned to be funded. This includes a mixture of grant funding, capital receipts, match funding from other bodies, revenue savings arising from the improvements and prudential borrowing for the balance of financing not covered from these other funding sources.

9.8 The plan also advised Members as to the anticipated additional revenue impact of the element of planned investment that was not covered by specifically identified funding sources. This projected the additional revenue impact to year 10 of the capital plan and considered the affordability of the potential 10 year plan into the future, with benchmarks with other Councils provided.

9.9 In 2018/19 the Council undertook a review of the Loans Fund and agreed to realign debt repayments to meet the expected asset life of the assets for which borrowing has been done. This exercise had a net zero impact on the cost of borrowing, though creates a short to medium term cashflow financial benefit to the Council. A further opportunity remains for further review following Audit Scotland agreeing nationally that this is allowed under legislation. This strategy does not assume any benefit from such an exercise at this stage and options will be provided to Members to consider this further opportunity – which if agreed has the potential to assist in closing the budget gaps over the short and medium term.

9.10 In terms of a sensitivity analysis there are two main areas of risk:

- that anticipated funding does not materialise e.g. capital receipts; match funding not achieved; and/or revenue savings planned from capital investment not achieved; and
- significant upwards variation in the cost of borrowing.

9.11 In relation to the first area of risk – this is monitored on a regular basis in budgetary control reports to Council, Committees and to Management.

9.12 In relation to the second area of risk – the Council budgets the revenue implications of the capital plan as loan charges to the revenue accounts. The budgeted cost of loan charges is based on expected cost of borrowing at present and into the future, based on advice from the Council's independent treasury advisors. The Council operates a loans fund which pools all borrowing to generate an average loans fund cost of borrowing – this has the effect of dampening the impact of any increases or decreases to the cost of borrowing, as in general any short term reductions or increases in borrowing will only affect new borrowing which will generally not have a significant impact on the average pooled interest rate (cost).

9.13 In order to provide overall governance and control mechanism on the impact of the capital plan, the plan is refreshed on an annual basis and renewed every three years. This will allow a regular consideration of the risks associated with the capital investment plans and where appropriate plans can be varied to mitigate against financial risk implications. The mid year Treasury Strategy update provides Members with analysis of the above issues.

10. Reserves

10.1 A key aspect of the consideration of the Council's Revenue Budget and Capital Programme Budgets is the position of the relevant Reserves.

10.2 The Reserves Policy (Annex 7) states that the core "Prudential" Reserve be maintained at a level of 2% of net expenditure (excluding requisitions) with the General Fund Reserve for 2019/20 at £4.192m and the HRA Reserve for 2019/20 is £0.850m.

10.3 Reserves can be held for three main purposes:
- A working balance to help cushion the impact of uneven cash flows - this forms part of general reserves;
- A contingency to cushion this impact of unexpected events or emergencies which also forms part of general reserves; and
- A means of building-up funds, often referred to as earmarked reserves, to meet unknown or predicted liabilities.

10.4 For each reserve held, there should be a clear protocol on:
- The reason for/purpose of the reserve;
- How and when the reserve can be used;
- Procedures for the reserve's management and control; and
- A process and timescale for review of the reserve.

10.5 The Council's estimated reserves to 2021/22 are summarised below:

Table 7 – Reserves Projection

Revenue	31/03/2019 £000s	31/03/2020 £000s	31/03/2021 £000s	31/03/2022 £000s

General Service Free Reserve	4,381	4,381	4,381	4,381
General Service Earmarked Reserve	6,170	2,470	1,335	826
HRA Free Reserve	850	875	906	931
HRA Earmarked Reserve	756	0	0	0
	18,474	**7,765**	**6,903**	**6,171**
Capital				
Capital Item Replacement Fund	362	362	362	362
Capital Grants Unapplied	278	0	0	0
Capital Reserve: Schools Regeneration	2,847	2,147	1,442	732
	4,061	**3,397**	**3,047**	**2,697**
Overall total	**22,535**	**11,162**	**9,950**	**8,868**

11. Monitoring and Reporting Arrangements

11.1 The Financial Strategy will be monitored by CMT on a regular basis - there will also be capacity to review the Strategy as and when required, particularly when a new issue arises or the impact of major policy or initiative becomes clearer.

11.2 The Financial Strategy will only be revised if there are changes to estimates, projections or policy which have a major financial impact.

11.3 The de minimis level which would qualify as a major impact requiring an immediate review is based on 50% of the reserves: at £2.096m for the General Fund and £0.425m for the HRA. Any impact and decision around a requirement to implement an immediate review is always subject to the opinion of the Chief Financial Officer.

11.4 The financial management principles and expectations have been communicated and are understood by all Chief Officers and budget holders.

11.5 The Financial Strategy has been drawn up with the full involvement of the CMT and, will be communicated throughout the organisation.

11.6 During the years covered in the strategy, the Council and Service Committees will receive budgetary control reports from period 3 onwards, analysing variances over £0.050m. The CMT receive this information monthly from period 3 onwards.

11.7 As in previous years, the Council, Service Committees and CMT will also receive updates at the same time as the budget monitoring reports which monitor each individual agreed management adjustment and saving to ensure these are on target. This will allow issues to be identified quickly and early intervention action to be taken, when and if necessary.

11.8 The following key performance indicators around the performance of the Council's finances have been identified as follows:

General Services

- The amount of free reserves as a percentage of the prudential reserve target – target a minimum of 100% of the prudential reserve;
- The revenue budget compared to actual outturn – target to be a maximum of 100% of budget;

- The ratio of financing costs to net revenue stream – targets will be defined on an ongoing basis via the Treasury Strategy; and
- The rate of in-year Council Tax collection – targets, as follows:

2019/20	95.60%
2020/21	95.65%
2021/22	95.70%
2022/23	96.75%
2023/24	96.80%

Housing Revenue Account

- The amount of free reserves as a percentage of the prudential reserve target – target a minimum of 100% of the prudential reserve;
- The revenue budget compared to actual outturn - target to be a maximum of 100% of budget;
- The ratio of financing costs to net revenue stream – targets will be defined on an ongoing basis via the Treasury Strategy; and
- Improve in-year collection rates on rent charges.

12. Risk Management

12.1 The Council's strategic priorities for the next five years are the focus of the Strategic Plan together with enabling factors that contribute to the successful achievement of the strategic priorities. The strategic risks flow from this process, service risks and operational risks, including risks relating to the Financial Strategy and delivery of the Financial Strategy continue to be assessed, reviewed, and managed in line with the strategic priorities. Annex 8 identifies the range of risks which may influence future financial performance and stability of the Council.

13. Approach to Generating Future Budgets

13.1 Currently revenue budgets are generated through the traditional process known as "Cost of Current Level of Service" with "incremental budgeting". So, in general, budgets follow the current cost of delivery of Council policies allowing for known cost increases/reductions to be built-in and for unavoidable burdens/ reductions to also be recognised as part of the cost of providing a service reflecting current Council policies. In general this process should, in theory, generate a budget which reflects Council priorities on the basis that services are set up to deliver those priorities. In essence, the base position is taken from the previous year's budget and this is adjusted for known movements.

14. Financial Strategy

14.1 In order for the Council to continue to plan for the longer term future it is necessary to consider options and approaches which will assist the Council to meet the financial challenges whilst continuing to provide services in line with its Strategic Objectives. This is not a simple task when operating partially in the dark as a result of Scottish Government single year settlements rather then multi-year settlements – which would allow the Council to have more certainty as to what the challenges are.

14.2 However, given that this document does provide predictions, with scenarios, for the Council over the next 10 years, it is incumbent on the Council to identify appropriate approaches to manage these potential financial outcomes.

14.3 As a result the Corporate Management Team have developed an outline plan which aims to develop approaches to mitigate the financial risks over the next 10 years. This plan links directly with the Council's Strategic Plan, as follows:

Strategic Priority 1: A strong local economy and improved employment opportunities.
Grow the economy which sees continued long-term investment in local regeneration which takes account of the environment and sustainability. In turn it is anticipated that this will facilitate a financial benefit to the Council.
Strategic Priority 2: Supporting individuals, families and carers living independently and with dignity.
Increase the mixed economy of housing to create attractive places, with future housing developments sustainable, accessible and adaptable to meet the changing needs of our population, together with increased investment in our housing stock to create sustainable opportunities and flexibility for residents

These two strategic priorities are linked and are anticipated to generate a financial benefit to the Council by:

- Resulting in an increase in the WDC population as percentage of Scottish population;
- An increase in Council Tax base; and
- Increase the Council Tax Collection rate.

Strategic Priority 3: Meaningful community engagement with active empowered and informed citizens who feel safe and engaged.
Introduce a dedicated Community Empowerment Service helping the community to help themselves and support increased capacity in local areas, with more Council resource directed by Communities. This will deliver:

- Maximised opportunities and asset transfer to enabled Communities; and
- Reduced asset management costs.

Strategic Priority 4: Open, accountable and accessible local government
Ensure best use of technology and resources to support service delivery and maximise self-service through digitization of service delivery, ensuring all processes are as lean as possible. This will support:

- The prioritization of service delivery in line with Strategic Priorities and Outcomes, this will align with the need to reduce total council spend over the period of the financial plan in a structured manner; and
- All citizens accessing appropriate levels of service, linked to a digitization strategy, streamlined and efficient service delivery.

Strategic Priority 5: Efficient and effective frontline services that improve the everyday lives of residents.
Implementing a Commercialisation approach which will:

- Identify commercial opportunities to protect public services and generate new income streams;
- Share services and systems where possible and where a partner organization is available;
- Delivery of a digitization strategy; and

- Implementing a LEAN approach to minimizing process costs and efficient service delivery;
- Implement a spend to save approach to automate back office processes;
- Ensure service management and establishment structures are efficient and effective;
- Review service delivery models and commissioning approaches in relation to social care services to provide a service which meets need whilst recognizing changes in demand;
- Review service delivery between social care and education in relation to providing the most appropriate model of service delivery which avoids cost and care escalation; and
- Deliver an efficient use of Council assets – in line with relevant Asset Management Strategies, including operational estate; non-operational estate; transport fleet; and ICT assets;.

Supporting the above priorities is the Council's approach to attaining Best Value and the following cross-cutting approaches will support the delivery of the strategic plan and longer term financial plan:

- Undertake commissioning approach for each service area;
- Develop and implement a Capital Investment Strategy and supporting capital plan which ensures investments are affordable and sustainable in the longer term;
- Undertake appropriate benchmarking activity for each service area at least every 5 years to identify the most appropriate and cost-effective means of service provision; and
- Ensure the charging regime is reviewed at least every 3 years.

WEST DUNBARTONSHIRE COUNCIL
BUDGET GAP ANALYSIS - GENERAL SERVICES
MOVEMENT FROM 2018/19 TO 2028/29

WEST DUNBARTONSHIRE COUNCIL **ANNEX 1**
BUDGET GAP ANALYSIS - GENERAL SERVICES
MOVEMENT FROM 2019/20 TO 2029/30
SCENARIO 1 - LIKELY

	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Position per Budget Report 5 March 2018		**9,816**	**16,930**								
Variables in Assumptions Considered in Sensitivity Analysis											
Budget Book 27/3/19 - SG Funding	**183,307**	**179,352**	**176,501**	**186,652**	**185,297**	**183,911**	**182,525**	**181,139**	**179,753**	**178,367**	**176,980**
Teachers Pensions - SG funding	1,132	1,941	1,941		0	0	0	0	0	0	0
Teachers Pay Award	2,624	2,624	2,624		0	0	0	0	0	0	0
Gross SG Funding after adjustments	**187,063**	**183,917**	**181,066**	**186,652**	**185,297**	**183,911**	**182,525**	**181,139**	**179,753**	**178,367**	**176,980**
Underlying assumed SG settlement reduction (%)		0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%
Reduction in Scottish Government Funding to 0.75% cash terms		-2,580	-4,086	1,354	1,386	1,386	1,386	1,386	1,386	1,386	1,386
Redistribution on some GAEs per COSLA Leaders October 2019		-1,500	-1,500								
Assume 3% Council Tax increase	3%	3%	3%	-1,070	-1,108	-1,141	-1,175	-1,211	-1,247	-1,284	-1,323
Council Tax collection rate increase		-90	-90								
Council tax base increase – additional houses		-250	-500	-150	-150	-150	-150	-150	-150	-150	-150
Recurring variances exercise from previous year end		-450	-550	-400	-400	-400	-400	-400	-400	-400	-400
Pay award 3% for all years				4,740	4,882	5,029	5,180	5,335	5,495	5,660	5,830
Sales, fees and charges at 4% uplift				-300	-300	-300	-300	-300	-300	-300	-300
Ongoing cost pressures					500	1,000	1,500	2,000	2,500	3,000	3,500
Submission Movements		180	-618	2,600							
HSCP Net Funding Reduction		518	1,035	-525	-525	-525	-525	-525	-525	-525	-525
Gap from previous financial year				10,621	16,871	21,157	26,056	31,572	37,707	44,467	51,854
Revised (Surplus)/ Gap	**190,819**	**5,644**	**10,621**	**16,871**	**21,157**	**26,056**	**31,572**	**37,707**	**44,467**	**51,854**	**59,872**

Annex 2

Assumptions built into the 2020/21, 2021/22 and 2022/23 Indicative Revenue Estimates

Government related Assumptions
The funding settlement for 2020/21 onwards is based on officer's projections of the impact of austerity measures and demographic change (actual settlement for 2020/21 expected to be received in mid-December 2019). Current assumption is a flat cahs settlement (in cash terms) per year from 2019/20 to 2022/23 on the variable elements of the settlement
An increase in GAE allocations due to changes agreed to distribution methodology by COSLA Leaders in October 2019 will lead to an increase in funding to WDC from 2020/21. Current assumed effect is £1.5m – to be confirmed in Finance Settlement for 2020/21 in December 2019.
Council Tax for 2019/20 onwards will be at 3%
That the Council's share of the additional funding to support social care since 2016/17 continues into the future
That the Scottish Government additional funding from 2019/20 Scottish Parliament budget continues
New parliamentary bills will have no financial impact on the Council (i.e. it is assumed that funding covers the costs associated with the initiative)
Any additional costs relating to revaluation of the discount rate on Teachers pension scheme will be funded by Scottish Government
Demographic Assumptions
Burden figures provided by HSCP for the budget projections remain valid - including: • The number of clients with physical disabilities will increase each year; • The number of clients with learning disabilities will increase; • The demand for older people residential beds will increase each year; • The demand for other services will remain similar to current levels.
Workforce Assumptions
Pay award assumed at 3% for 2020/21 onwards
Superannuation rates to remain as at present with no actuarial advice at this point to the contrary
Equal pay provision as at 31/3/19 is adequate
Turnover at current levels on appropriate staffing types (4%)
No changes to workforce terms & conditions
Operational Assumptions
That the Council's prudential target remains at 2% of net expenditure
No further adjustment has been addumed regarding any further opportunities to undertake Loans Fund Review within this document. A report will be provided to Members on a further opportunity
Income increases within Council control assumed at 4% each year (sales, fees and charges) where sustainable
Council tax base increases from 2020/21 onwards based on information from Valuation Joint Board for years 1 and 2 and 150 per year thereafter
Loan charges and efficiency savings link directly to 10 year capital plan
No change to the bad debt provision on council tax (2.75% per annum), and the provision identified within the HRA budget.

Annex 3

CONTINGENCY FUND POLICY

INTRODUCTION

1.1 The Council operates central revenue and capital contingency funds (CCF) to accommodate externally led reductions which benefit departmental budgets. These funds are also called upon to address budget increases resulting from external factors.

1.2 Budgetary control reporting is more transparent and accountable if the impact of variances outwith departmental influence was removed (or compensated) from departmental budgets.

MAIN ISSUES

2.1 It is the responsibility of the Strategic Lead - Resources to maintain a record of all budget transfers in/out of the revenue and capital CCF. It is also be the responsibility of the Strategic Lead - Resources, in discussion with the Chief Executive/Strategic Directors, to determine appropriate budget movements to transfer in/out of the CCF.

2.2 An additional line has been introduced into consolidated Council Budgetary Control reports to ensure reconciliation back to the approved budgets.

2.3 The CCF will apply to all revenue and capital budgets of the Council, including the Housing Revenue Account and each Trading Organisation. Transfers in/out of the Housing Revenue Account will be subject to legislative constraints.

2.4 Similarly, the impact of significant unforeseen expenditure burdens on departmental budgets would be financed by additional budget resources allocated to departmental budgets from the CCF. Departments would be invited to make appropriate application to the Strategic Lead - Resources.

Annex 4

Short-Term Issues

These issues, which will need to be addressed in some way within the next 3 years, were identified by senior management during consultation on the Financial Strategy and the impact can be one-off or recurring. Some shorter term issue will continue into the medium term and longer term. This list is not exhaustive.

Risk Area	Issues Identified	Action Taken	Responsible Officer
Strategic Issues	Unemployment levels within the area	Improve employability of residents through supporting training, apprenticeships, new jobs; encouraging economic regeneration by providing support to businesses; using procurement to encourage new training and job opportunities for local people; launch of Working4Business; implementation of Queen's Quay Regeneration project; and involvement in City Deal to create more employment opportunities.	Strategic Lead – Housing and Employability; Strategic Lead - Regeneration; and Strategic Lead - Resources
	Impact of major capital investment on service delivery during implementation (e.g. ICT upgrades)	Project leaders allocated to each major project with project implementation documents, risk minimisation/ mitigation action plan	All Strategic Directors and Leads
	Financing of Council budgets / Review Income Targets	3 year detailed budget prepared; Ongoing monitoring of target savings done regularly by CMT and Council/Committees	CMT Strategic Lead - Resources
	ICT Modernisation	Major capital programme identified 2012/13 & continued on ongoing basis in capital plan	Strategic Lead – People and Technology
	Capital income not achieved at planned levels	Identification of movement through Strategic Asset Management Group – reported to CMT & Council through capital budgetary control; capital plan monitoring; Asset Disposal Strategy implementation	Strategic Lead - Regeneration Strategic Lead - Resources

Risk Area	Issues Identified	Action Taken	Responsible Officer
Strategic Issues (cont.)	Work Force Planning	Workforce Management functionality system being developed further; Restructuring opportunities considered when appropriate; Implementation of Corporate Workforce Plan	Strategic Lead – People and Technology
	Asset Management Plan - Maintenance Backlog - Disability Discrimination Act - Health and Safety	Strategic Asset Management Group regular meetings; Capital resources committed for disability access; Risk Assessments where required; 10 year capital plan monitoring & development	Strategic Lead - Regeneration Strategic Lead - Resources
	Organisational structures	Ongoing and monitored regularly by management teams	CMT
	Barclay Review – potential risk to charitable relief provided for Leisure Trust, as a result of the review, currently awaiting Scottish Government response	Monitoring the position, current assumption is no impact in 2018/19 onwards	Strategic Lead - Resources
	Welfare Reform (ongoing). This incorporates homelessness rent capping, HRA rent capping, council tax benefit replacement, Social Fund replacement, and bad debt levels	Briefing notes on possible affect produced; Situation monitored, action taken as necessary, costs budgeted, Members briefing days & officer working groups; Regular updates to CMT	CMT Strategic Lead - Resources Strategic Lead – Housing and Employability

Risk Area	Issues Identified	Action Taken	Responsible Officer
Service Issues	Increasing levels of waste - landfill tax impact	Increase recycling targets; Budgetary impact within budget	Strategic Lead – Environment & Neighbourhood
	Recycling Initiatives to meet targets	Ongoing initiatives to encourage recycling	Strategic Lead – Environment & Neighbourhood
	Planning Income & building warrant income decline	Budgetary impact within budget – finances to be monitored and action taken if necessary	Strategic Lead – Regulatory
	Investment Property income decline due to economic climate	Budgetary impact within budget – finances to be monitored and action taken if necessary	Strategic Lead - Regeneration
	Cost of vandalism and anti-social behaviour	Budget provided – any impact above this level would require monitored and action taken if necessary	Head of Housing and Community Safety
	Road Maintenance: - access to data - maintenance backlog and strategy for improvement - impact of recent weather	Additional budget provided (capital and revenue), projected require to be prioritised – any impact above this level would require monitored and action taken if necessary	Strategic Lead – Environment & Neighbourhood
	New Council Housing, Private and RSL Housing	Working group meet regularly. Grant funding approved & underway	Strategic Lead – Housing & Employability
Organisational Issues	Impact of BREXIT	Monitor ongoing BREXIT discussions and potential impact on the Council's finances, the wider implications for Scottish Economy, etc. Consider implications of BREXIT on European funding	All Strategic Directors and Leads
	Brexit impact - Structural Funds: - ERDF - ESF Impact on RSA (money for businesses)	Requires to be monitored and action taken if necessary	Strategic Lead – Regeneration Strategic Lead - Resources

Risk Area	Issues Identified	Action Taken	Responsible Officer
Education	Schools Estate Regeneration	Identification on Council priority enhancements and new builds, identification of funding, identification of acceptable specifications within funding available	Strategic Lead – Education, Learning and Attainment Strategic Lead - Regeneration
WDC Integration Joint Board	Financial sustainability	Appropriate burdens and anticipated cost increases have been built into IJB cost projections and IJB identify appropriate efficiencies to manage budget allocation from WDC	Chief Officer – HSCP; S95 Officer - HSCP
Organisational Issues	Corporate Governance - Freedom of Information - Data Protection	Actions identified and in place to ensure information provided is complete and no breeches of data protection	Strategic Lead - Regulatory Services
	New Legislation (general)	Action to ensure available resources to support new legislation that will not leave the Council exposed	CMT

Annex 5

Medium-Term Issues

Some short term issues may merge into medium term issues. Some medium term issues may become issues in the longer term. This list is not exhaustive.

Risk Area	Issues Identified	Action Taken	Responsible Officer
Strategic Issues	Scottish Government Funding levels – capital and revenue	Longer term financial strategy to help appropriate officers to identify possible risks on budget gaps to take necessary action at an early stage	Strategic Lead - Resources
	Welfare Reform – including changes in the staffing structure and the duties of the Council; the effect on HRA & GS budgets of benefits thresholds	Briefing notes on possible affect produced; Situation monitored, action taken as necessary, costs budgeted, Members briefing days & officer working groups Regular reports to CMT	CMT Strategic Lead - Resources
	Unemployment levels within the area	Improve employability of residents through supporting training, apprenticeships, new jobs; encouraging economic regeneration by providing support to businesses; using procurement to encourage new training and job opportunities for local people; opening of the West Employability Hub in Dumbarton; launch of Working4Business; approval of Queen's Quay Regeneration project; and involvement in City Deal to create more employment opportunities.	Strategic Lead – Housing & Employability
	Asset management	Ongoing management of operational assets to maximize efficiency	Strategic Director - Regeneration, Environment & Growth
	Asset Management Plan - Other areas of development - Parks and open spaces - Asset replacement - Asset standards - Space standards	Asset Strategy Group Ongoing development and review of 10 year capital plan	Strategic Director - Regeneration, Environment & Growth Strategic Asset Management Group

Risk Area	Issues Identified	Action Taken	Responsible Officer
	WD Integration Joint Board - Financial sustainability	Appropriate burdens and anticipated cost increases have been built into IJB cost projections and IJB identify appropriate efficiencies to manage budget allocation from WDC IJB reserves maintained to manage unforeseen spending variations	Chief Officer – HSCP; S95 Officer - HSCP
Housing	HRA: Scottish Housing Quality Standards and Energy Efficiency Standards	Strategy to meet standards on ongoing basis – identification of capital spend and funding thereof Strategy to meet energy efficiency legislative requirements – identification of capital spend required	Strategic Lead – Housing & Employability
Education	Schools Estate Strategy	Continuation of Schools Estates Team to help identify and move forward on funding and prioritisation	Strategic Lead – Education, Learning and Attainment
	Maintaining of Teachers numbers – failure to do so leading to financial penalties	Budgetary impact within budget – finances to be monitored and action taken if necessary	Strategic Lead – Education, Learning and Attainment
Organisational Issues	Impact of BREXIT	Potential wider economic impacts of BREXIT – monitor economic forecasts and potential impact on UK and Scottish Government finances	Strategic Lead - Resources

Annex 6

Long-Term Issues – over 10 Years

Some short and medium term issues may become longer term issues. This list is not exhaustive.

Risk Area	Issues Identified	Action Taken	Responsible Officer
Strategic Issues	Depopulation and Change of Demographics	Monitoring likely movement and potential impacts on Council, including funding	CMT Strategic Lead – Regeneration Strategic Lead – Resources
	WD Integration Joint Board - Financial sustainability	Appropriate burdens and anticipated cost increases have been built into IJB cost projections and IJB identify appropriate efficiencies to manage budget allocation from WDC IJB reserves maintained to manage unforeseen spending variations	Chief Officer – HSCP; S95 Officer - HSCP
	Unemployment levels within the area	Improve employability of residents through supporting training, apprenticeships, new jobs, encouraging economic regeneration by providing support to businesses; using procurement to encourage new training and job opportunities for local people; implementation of Queen's Quay Regeneration project; and implementation of City Deal projects to create more employment opportunities.	Strategic Lead – Housing & Employability Strategic Lead - Regeneration; Strategic Lead - Resources
Education	Educational ICT infrastructure refresh	Programme being implemented Impact on 10 year capital plan and current ICT Modernisation	Strategic Lead – Education, Learning and Attainment
Organisational Issues	Impact of BREXIT	Potential wider economic impacts of BREXIT – monitor economic forecasts and potential impact on UK and Scottish Government finances	Strategic Lead - Resources

Annex 7

POLICY ON BALANCES AND RESERVES

Introduction

A key component to sound financial and risk management is that the Council maintains adequate reserves and balances to meet either known future commitments or expenditure arising from unforeseen, unexpected or emergency situations. Where appropriate, this policy adopts:

- Local Authority Reserves and Balances (LAAP Bulletin 99, July 2014);
- The Statutory Basis for Accounting and Disclosing Reserves in Local Authorities in Scotland (LASAAC, October 2005); and
- CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom (revised annually).

The purpose of this policy is to:

- Outline the legislative and regulatory framework underpinning the creation, use or assessment of the adequacy of reserves;
- Identify the principles to be employed by the Council in assessing the adequacy of the Councils balance and reserves;
- Indicate how frequently the adequacy of the Council's balances and reserves will be reviewed, and
- Set out arrangements relating to the creation, amendment and use of reserves and balances.

In common with most local authorities in Scotland, the Council has a range of reserves and balances. These fall into two categories:

- Usable Reserves; and
- Unusable Reserves.

Usable Reserves

As the name indicates, these are reserves, available for use by the Council. They are held on the Council's Balance Sheet for use, as appropriate, through this Reserves Policy.

Usable Reserves can be held for three main purposes:

- A working balance to help cushion the impact of uneven cash flows - this forms part of general reserves;
- A contingency to cushion the impact of unexpected events or emergencies; and
- A means of building up funds to meet unknown or predicted liabilities.

For each reserve held, there should be a clear protocol on:

- The reason for/purpose of the reserve;
- How and when the reserve can be used; and
- A process and timescale for review of the reserve to ensure ongoing relevance and adequacy.

The Usable Reserves held by the Council are:

(a) General Fund Revenue Reserve
The General Fund is held for all services provided by the Council through Revenue Support Grant (RSG) provided by the Scottish Government and Council Tax paid by residents within the Council area. It excludes the Housing Revenue Account (HRA), which is funded from tenant rents.

(b) HRA Revenue Reserve
The Council is required by the Local Government and Housing Act (Scotland) 1987 to keep a HRA which records all revenue expenditure and income relating to the provision of council dwellings and related services. The use of this account is heavily prescribed by statute and the Council is not allowed to fund any expenditure for non-housing related services from this account.

For both the General Fund and the HRA Reserves the level and utilisation of reserves will be determined formally by the Council, informed by the advice and judgement of the Section 95 Officer (Chief Financial Officer). Where the Section 95 Officer's advice is not accepted, this should be recorded formally in the minutes of the appropriate Council meeting.

The balance of these Reserves normally comprises of three elements:

- Funds that are earmarked or set aside for specific purposes (in Scotland, Council cannot have a separate Earmarked Reserve within the Balance Sheet, but can highlight elements of the General Fund Reserve balance required for specific purposes). The identification of such funds can be highlighted from a number of sources:
    - Future use of funds for a specific purpose, as agreed by Council or Committee; or
    - Commitments made under delegated authority by the Council's Corporate Management Team, which cannot be accrued at specific times (e.g. year-end) due to not being in receipt of the service or goods;
- Funds which are not earmarked for specific purposes, but are set aside to deal with unexpected events or emergencies. Currently using a risk based assessment, the Council has a specific policy agreed each year and at present this 'prudential target' is set at 2% of net expenditure (excluding requisitions); and
- Funds held in excess of the prudential target and the identified earmarked sums. Reserves of this nature can be spent or earmarked at the discretion of Members.

During the Budget Process for both the General Fund and the HRA the budget report should give Council an update on:

- The estimated opening fund reserve balance for the year ahead, the addition to/withdrawal from balances and the estimated year-end balance;
- The adequacy of the reserves and the Provisions* in respect of the forthcoming year and the Council's medium term Financial Strategy; and
- The earmarked funds held within the Reserves.

Principles to assess the adequacy of the reserves
In order to assess the adequacy of unallocated reserves, the S95 officer should take account of strategic, operational and financial risks facing the Council. The assessment should include external risks (e.g. environmental or economic factors) as well as internal risks (e.g. the ability to deliver planned efficiency savings).

Use of unallocated reserves
Balancing the annual budget by drawing on unallocated reserves may be a legitimate short term option. However, CIPFA has commented that councils should be wary about the one-off use of reserves to deal with shortfalls in current funding or for recurring expenditure. However, where such action is taken, an explanation as to how expenditure will be funded in future years should be given.

(c) Capital Receipts Reserve
Under Schedule 3, paragraph 22 of the Local Government (Scotland) Act 1975, capital receipts on the sale of non-current assets received by the Council are retained within this Reserve until capital expenditure dictates the required use for the funds. Receipts for both General Fund and HRA are held separately, as specified above. Any receipts unused at 31 March will be held on the Balance Sheet as at that date.

(d) Capital Grant Unapplied Reserve
Grants and other contributions given to the Council are retained within this Reserve until all conditions agreed by the grant provider are satisfied. The use of this fund is specified within the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom, as revised each year. Any grants unapplied at 31 March will be held on the Balance Sheet as at that date.

(e) Capital Items Replacement Fund (Other Reserve)
Scottish Councils have explicit statutory powers under schedule 3 of the Local Government (Scotland) Act 1975 to establish Renewal and Repairs Funds. This reserve is used for the purpose of defraying expenditure to be incurred from time to time in repairing, maintaining and renewing any buildings, works, plant, equipment or articles belonging to the authority. At present the Council only holds one such fund, which is held within the Education Service. Separate and specific guidance is available for the use of this Fund. Funds are used for the renewal or repair of school non-current assets, with funds being linked specifically to the individual schools committing their budget for the purpose of repairs and renewals at a future date.

(f) Capital Reserve
This reserve is *used to defray any expenditure of the Council to which capital is properly applicable, or in providing money for repayment of the principal of loans*. It holds income (either specific capital receipts income or agreed contributions from revenue) which has been earmarked by Council for the funding of the Public Private Partnership (PPP) unitary charge on a specific annual phased amount. The PPP unitary charge liability can be split into revenue and capital related charges and this Reserve is used specifically to help fund the capital related charges. The Funds can be added to this Fund as agreed by Council (e.g. the sale of specific Education non-current assets) or at the discretion of the Section 95 Officer (i.e.in the event of a review identifying a risk of shortfall in the funding structure over the life of the project). This Reserve should be reviewed on a regular basis by the Section 95 Officer.

Unusable Reserves

As the name indicates, these are not available for use by the Council. They arise from the reconciliation of accounting requirements driven by reporting standards and statutory requirements. They are not resource-backed and are held on the Council's Balance Sheet for use as appropriate through the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom. The Unusable Reserves held by the Council are:

(a) Capital Adjustment Account
The Capital Adjustment Account absorbs the timing difference arising from the different rates at which assets are depreciated under proper accounting practice and are financed through the capital controls system. . The account contains revaluation gains accumulated on property, plant and equipment before 1 April 2007, the date that the Revaluation Reserve was created to hold such gains.

(b) Revaluation Reserve
The Revaluation Reserve contains the unrealised gains arising from increases in the value of its property, plant and equipment (and intangible assets). The balance is reduced when assets with accumulated gains are:

- Re-valued downwards or impaired and the gains are lost;
- Used in the provision of services and the gains are consumed through depreciation; or
- Disposed of and the gains are realised.

The reserve contains only revaluation gains accumulated since 1 April 2007, the date that the reserve was created. Accumulated gains arising before that date are consolidated into the balance on the Capital Adjustment Account.

(c) Pension Reserve
The Pension Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. The Council accounts for post-employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However statutory arrangements requires benefits earned to be financed as the Council makes employer's contributions to pension funds or eventually pays any pension for which it is directly responsible. The debit balance on the pensions reserve therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the Council has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

(d) Statutory Mitigation Account
The Statutory Mitigation Account absorbs the differences that would otherwise arise on the general fund/ HRA balance from accruing for compensated absences earned but not taken in the year, e.g. annual leave entitlement carried forward at 31 March. Statutory arrangements require that the impact on the General Fund balance is neutralised by transfers to or from this account.

(e) Financial Instruments Adjustment Account
The Financial Instruments Adjustment Account absorbs the timing difference arising from the different arrangements for accounting for income and expenses relating to certain financial instruments and for bearing losses or benefiting from gains per statutory provisions. The Council uses the account to manage premiums paid on the early redemption of loans. Premiums are debited to the Comprehensive Income and Expenditure Statement when they are incurred, but reversed out of the General Fund balance to the account in the Movement in Reserves Statement. Over time, the expense is posted back to the General Fund balance in accordance with statutory arrangements for spreading the burden on council tax.

Accounting and Disclosure
Expenditure should not be charged direct to any reserve. Any movement within Revenue Reserves is accounted for as an appropriation and is transparent. Entries within a reserve

are specifically restricted to *'contributions to and from the consolidated Income and Expenditure Account'* with expenditure charged to the service revenue account. The appropriation is made from the reserve to the Movement in Reserves to neutralise the impact on the Council Tax or the Housing Rents.
Any revision to this Policy (including creation or amendment to any reserve or use of any reserve) requires to be reported, considered and approved by Council.

*Provisions – Funds held on the Balance Sheet for a liability of costs with uncertain timing or amounts

Annex 8

Risk Factors

This list is not exhaustive

Risk	Action
Projections about the Council's level of income and expenditure are subject to change – e.g. • Government funding • Pay and price increases • Income levels • Planned savings not achieved • Unforeseen expenditure • Unanticipated increase in fuel or energy costs • Pension figures/costs may increase due to future reviews • Unforeseen financial issues following changes within the UK economic climate	• Ensure Finance Circulars are reviewed and reconciled on a regular basis • Longer term financial projections and strategy monitored by the Council to allow timely action • Aim to meet the target of the Prudential Reserve • Use of contingency fund • Budget Monitoring regularly by services, the CMT and Members (through Council and Committees) • Ongoing monitoring of savings targets built into the budget by the CMT and Members
Failing to achieve or maintain adequate reserves	• Prudential Reserve target reported to Members on a regular basis. Working with Members to work towards achieving target. • Longer term financial projections and strategy monitored by the Council to allow identification of possible issues to allow early action to be taken where necessary
Capital receipts do not materialise and/or Expenditure on capital projects is higher than anticipated	• Longer term vision on capital programme for both income and expenditure levels • Regular Strategic Asset Management Group updates feeding through to the capital budgetary control report (to both Council and CMT) • Capital Disposal Strategy with longer term vision to allow movement in the assets due sold and timing of those assets. • Capital programme being monitored by CMT, Council and Committees on a regular basis • Early identification of possible issues to allow action to reduce spend or identify further surplus assets for possible disposal to minimise shortfall.

Risk	Action
Treasury Management, e.g.: • Loss on finances through reserves being invested in unsecure banking sector • Lower than expected investment returns due to economic climate • Interest rates on debt increase significantly, increasing the cost to borrow for capital expenditure	• Ensure the Treasury Management Practices regarding investment counterparties are adhered to. • Regular (daily) updates regarding movement in the banking sector received with the counterparty listing adjusted when necessary. • Ensure prudence in estimating level of investments and interest rates.
Money Laundering – failing to disclose to the National Criminal Intelligence Service suspicions through acquisition retention use or control of criminal property	• Ensure the Treasury Management Practices are adhered to. • Work completed by Internal and External Audit, use of the whistle blowing phone line. • Implement Money Laundering Policy
Provision not adequate to cover possible equal pay compensation costs	• Review provision on a regular basis, with updated information from the HROD and appropriate legal advice. • Identify action required at an early stage to ensure adequate.
Increase in the number of housing benefits claimants – higher risk of error, homelessness, subsidy level not achieved	• Staffing profile monitored to ensure adequate staffing resources. • Ensure staff work to same high standards • Regular contact between appropriate services/departments of the Council • Monitoring of the budget regularly by departments, the CMT and Members (through Council and/or Committee)
Current insurers of the Council become financially unviable – resulting in other providers monopolising the market, possible resulting in substantially increases in premiums	• Action to ensure early indications of financial stability of company • Appropriate measures taken at tender stage to ensure financial stability of insurers. • Aim to meet the target of the Prudential Reserve • Use of contingency fund

Risk	Action
Breach of legislation resulting in substantial fine, e.g. Health and Safety; Disability Discrimination; Equalities.	• Ensure knowledge of relevant legislative issues is up to date • CMT ensures appropriate systems are in place to seek to ensure no legislation is breached
The Scottish Government reviews the structure of Scottish Local Government.	• Action plans discussed and updated at an early stage, if this is announced
The Council's demographic projections continue to be adverse in comparison to national statistics, resulting in further funding reductions	• Forward demographic projections for the Council, in comparison to national totals completed regularly and the affected on external funding levels will be included in within forward financial projections to members to allow timeous action by Members.
Implementation of Brexit	• Once the Brexit deal is agreed implications will be clearer - action plans discussed and updated at an early stage • Review potential financial impact and plan accordingly
DWP reform – building in adequate costs to cover changes, e.g.: • General Services – effect of capping of rents for homelessness; • General Services – effect on Council tax benefit administrative grant • General Services/ HRA – effect on lower incomes of individuals on all debt of the council – council tax, debtors, rent, etc. • HRA – housing benefit levels for individuals in homes with rent greater than capped levels	• Building into the financial projections the anticipated impact of welfare reform changes to allow Council to adequately plan • Regular monitoring of expected costs against budget to allow early intervention if necessary • Aim to retain the Prudential Reserves

The Council operates a Strategic Risk Register covering strategic financial risks to the Council. In addition the Resources Service has prepared an operational risk register which lists control measures and analysis of operational risks.

GENERAL SERVICES
BUDGET 2019/20
INDICATIVE BUDGETS 2020/21 AND 2021/22
SUMMARY

	ESTIMATE 2019/2020 (P7 BCR)	PROBABLE 2019/2020 (BCR P7)	INDICATIVE ESTIMATE 2020/2021	INDICATIVE ESTIMATE 2021/2022	INDICATIVE ESTIMATE 2022/2023
	£000	£000	£000	£000	£000
STRATEGIC DIRECTOR - TRANSFORMATION & PUBLIC SECTOR REFORM	615	591	580	604	627
RESOURCES	5,476	5,437	5,659	5,770	5,968
REGULATORY	2,588	2,529	2,564	2,717	2,826
PEOPLE AND TECHNOLOGY	6,086	6,004	6,448	6,536	6,667
COMMUNICATIONS, CULTURE, COMMUNITY, FACILITIES	17,091	17,098	17,801	18,237	18,749
EDUCATION, LEARNING AND ATTAINMENT	96,524	96,596	100,863	102,601	105,224
ENVIRONMENT & NEIGHBOURHOOD	14,512	14,435	14,104	14,386	14,747
HOUSING AND EMPLOYABILITY	4,556	4,523	4,649	4,823	4,987
REGENERATION	(2,765)	(2,815)	(2,658)	(2,483)	(2,356)
MISCELLANEOUS	5,725	5,905	4,714	6,636	6,764
ALLOCATION TO NON GAE	(6,953)	(6,953)	(7,173)	(7,293)	(7,293)
REQUISITIONS:					
STRATHCLYDE PARTNERSHIP FOR TRANSPORT	1,592	1,592	1,592	1,592	1,592
VALUATION JOINT BOARD	750	750	718	718	718
CRIMINAL JUSTICE PARTNERSHIP	2,017	2,017	2,017	2,017	2,017
HEALTH & SOCIAL CARE PARTNERSHIP	67,762	67,762	69,584	69,898	69,374
CONTINGENCY FUND	366	(180)	0	0	0
LOAN CHARGES	6,897	6,897	9,398	9,208	11,254
PROJECTED BUDGET	**222,838**	**222,188**	**230,858**	**235,966**	**241,864**
ADD/(LESS) USE OF FREE BALANCES	(975)	(975)	(217)	(217)	0
TOTAL TO BE FINANCED	**221,863**	**221,213**	**230,641**	**235,749**	**241,864**
SCOTTISH GOVERNMENT FUNDING	(187,066)	(187,066)	(188,747)	(187,402)	(186,047)
COUNCIL TAX	(34,797)	(34,797)	(36,250)	(37,726)	(38,946)
BALANCE / BUDGET GAP	**(0)**	**(650)**	**5,644**	**10,621**	**16,871**

WEST DUNBARTONSHIRE COUNCIL

Report by the Strategic Lead - Resources

Council: 27 November 2019

Subject: General Services Budgetary Control Report to 31 October 2019 (Period 7)

1. Purpose

1.1 The purpose of this report is to advise on both the General Services revenue budget and the approved capital programme to 31 October 2019.

2. Recommendations

2.1 Council is asked to:

i) note that the revenue account currently shows a projected annual favourable variance of £0.650m (0.29% of the total budget); and

ii) note that the capital account shows that planned expenditure and resource for 2019/20 is lower than budgeted by £11.447m (15.43% of the budget), made up of £11.897m (16.04% of the budget) relating to project slippage, partially offset by £0.450m relating to an in year overspend (as noted within appendices 5 to 8).

3. Background

Revenue

3.1 At the meeting of West Dunbartonshire Council on 27 March 2019, Members agreed the revenue estimates for 2019/2020. A total net budget of £219.079m was approved for General Services, before use of balances.

3.2 Since the budget was set a revised Corporate structure has been agreed. The overall General Services budget did not change, however the changes to the service structure of the budget have been implemented within this report.

3.3 Since the budget was agreed, additional funding has been provided by Scottish Government and a total net budget of £222.838m is now being monitored:

	£m
Base Budget 19/20	219.079
Teachers Pensions – increase in employers rate (Scottish Government element)	1.132
Teachers pay award from 1 April 2019 (Scottish Government element)	2.624
Additional RSG – Licensing	0.003
Current Revised budget	**222.838**

3.4 Following the completion of the Annual Accounts 2018/19, an exercise was completed to identify recurring variances in all service areas. This has resulted in movement between services and the Contingency Fund, which has been incorporated into the report.

Capital

3.5 At the meeting of Council on 27 March 2019, Members also agreed the updated 10 year General Services Capital Plan for 2019/2020 to 2028/29. The next three years from 2019/20 to 2021/22 have been approved in detail with the remaining years being indicative at this stage. After adjusting for anticipated slippage from 2018/19 into 2019/20, the budget agreed for 2019/20 was £62.714m.

3.6 Since then, budget adjustments have taken place (through further 2018/19 capital slippage and additional external funding), revising the 2019/20 annual budget to £74.177m, as follows:

	£m
Base Budget 2019/20	33.140
Anticipated Slippage from 2018/19 – March 2019	29.574
Anticipated budget 2019/20 (Council – March 2019)	62.714
Additional slippage from 2019/20 – following year end	5.323
Revised Base Budget 2019/20 – following year end	68.037
New Funding:	
Town Centre Fund (Scottish Govt)	0.859
Electrical Charging Points (Transport Scotland)	0.170
Public Transport Projects (SPT)	0.500
Dalreoch/ Balloch Park & Ride (SPT)	0.050
Cycling, Walking & Safer Streets (Transport Scotland)	0.030
Acceleration of Project:	
Heritage Capital Fund	0.247
Additional budget approved:	
District Heating Network	4.400
Reduction in funding:	
Footways Funding	(0.116)
Revised Budget 2019/20	**74.177**

4. Main Issues

Revenue

4.1 The summary report at Appendix 1 currently identifies a projected annual favourable variance (underspend) of £0.650m (0.29% of the total budget) and service reports by Strategic Leads are attached as Appendix 2.

4.2 Notes on the projected annual variances in excess of £0.050m are highlighted and noted within Appendix 3, with additional information on action being taken to minimise or mitigate overspends where possible.

4.3 Agreed savings and management adjustments actioned within 2019/20 are monitored with current indications showing that of the total target being monitored (£2.739m) and £0.152m is currently projected not to be achieved.

4.4 The latest budgetary control report to Health and Social Care Partnership Board on 2 October 2019 reported a projected overspend of £1.030m. The report advised that management were working on plans to mitigate this overspend, including a draft recovery plan and drawdown from earmarked reserves. It is not anticipated at this time that there would be an impact on the Council.

Capital

4.5 The current progress on the capital plan is shown in Appendices 5 to 8.

4.6 The overall programme summary report at Appendix 5 shows that planned expenditure and resource for 2019/20 is lower than budgeted by £11.447m (15.43% of the budget), made up of £11.897m relating to project slippage, partially offset by £0.450m relating to an in year overspend.

4.7 Appendix 5 also provides both an analysis of the overall programme at each alert status and a summary budgetary control report. The tables at the top detail both the number of projects and the corresponding spend as a percentage of the overall programme currently at red, amber or green alert status for project life and the current year.

4.8 Appendix 6 details financial analysis of projects at red status and Appendix 7 is amber, with additional information on action being taken to minimise or mitigate under or overspends where possible. Appendix 8 provides an analysis of projects at green status (please note that, where appropriate, some of the project end dates were revised at start of the year). Appendix 9 provides an analysis of resources where the variance is over £0.050m.

4.9 From the analysis within the appendices it can be seen that there are nine projects with material slippage, these are listed as follows:

Project Name	**Current Slippage (£m)**
Red Projects	
Posties Park Sports Hub	0.728
Westbridgend Community Centre	0.635
A813 Road Improvements – phase 1	0.536
Depot Rationalisation	0.904
Regeneration Fund	0.810
Amber Projects	
Gruggies Burn Flood Prevention	3.805
A811 Lomond Bridge	1.800
Exxon City Deal	0.696
Town Centre Fund	0.859
Total	**10.773**

5. Option Appraisal

5.1 No option appraisal was required for this report.

6. People Implications

6.1 There are no people implications.

7. Financial and Procurement Implications

7.1 The report notes the projected in-year financial position for both General Services revenue and capital budgets.

8. Risk Analysis

8.1 The main risks are as follows:

(a) The present variances should be viewed in the knowledge that there are a number of variable factors which could arise between now and 31 March and which could affect the year end results for both the revenue and capital budgets; and

(b) As a consequence of current market conditions, capital receipts may either not be received or they may be less than anticipated. A shortfall in capital receipts may affect the revenue budget position due to the assumption within the budget of £4m capital receipts being used to reduce loan charges. Currently, it is anticipated that the £4m will be achieved. This is being closely monitored and any issues will be reported to Council.

9. Equalities Impact Assessment (EIA)

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

10. Environmental Sustainability

10.1 No assessment of environmental sustainability was required in relation to this report.

11. Consultation

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

12. Strategic Assessment

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

Stephen West
Strategic Lead - Resources

Date: 18 November 2019

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Appendices:

Appendix 1 -	Revenue Budgetary Control 2019/20 – Corporate Summary
Appendix 2 -	Revenue Budgetary Control 2019/20 – Strategic Lead Summaries
Appendix 3 -	Analysis of Revenue Variances over £50,000
Appendix 4 -	2019/20 Savings and Management Adjustments Monitoring
Appendix 5 -	Overall Capital Programme Summary Financials
Appendix 6 -	Analysis of Projects at Red Status
Appendix 7 -	Analysis of Projects at Amber Status
Appendix 8 -	Analysis of Projects at Green Status
Appendix 9 -	Analysis of Resources

Background Papers: Ledger output – period 7
General Services Revenue Estimates 2019/20
General Services 10 Year Capital Plan Update - Council 27 March 2019

Wards Affected All Wards

WEST DUNBARTONSHIRE COUNCIL **APPENDIX 1**

REVENUE BUDGETARY CONTROL 2019/2020

SUMMARY

PERIOD END DATE **31 October 2019**

Department Summary	Total Budget 2019/20	Spend to Date 2019/20	Projected Spend	Variance 2019/20		Annual RAG Status
	£000	£000	£000	£000	%	
Strategic Director - Transformation & Public Sector Reform	615	555	591	(24)	-4%	↑
Resources	5,476	6,165	5,437	(39)	-1%	↑
Regulatory	2,588	1,337	2,529	(59)	-2%	↑
People & Technology	6,086	3,958	6,004	(82)	-1%	↑
Communications, Culture, Community and Facilities	17,091	9,969	17,098	6	0%	↓
Education, Learning and Attainment	96,524	53,697	96,596	73	0%	↓
Neighbourhood	14,512	12,305	14,435	(77)	-1%	↑
Housing and Employability	4,556	2,531	4,523	(33)	-1%	↑
Regeneration	(2,765)	(2,520)	(2,815)	(49)	2%	↑
Miscellaneous Services	5,725	3,514	5,905	180	3%	↓
Loan Charges	6,897	4,023	6,897	0	0%	→
Requisition (VJB)	750	438	750	0	0%	→
Requisition (SPT)	1,592	928	1,592	0	0%	→
Requisition (CJP)	2,017	1,177	2,017	0	0%	→
Requisition (HSCP)	67,762	39,528	67,762	0	0%	→
Non GAE Allocation	(6,953)	(4,056)	(6,953)	0	0%	→
Contingency Fund	366	(180)	(180)	(546)	-149%	↑
Total Expenditure	**222,838**	**133,368**	**222,188**	**(650)**	**0%**	↑
Council Tax/CT Replacement Scheme	(34,797)	(20,516)	(34,797)	0	**0%**	→
Revenue Support Grant/ NDR	(187,066)	(124,186)	(187,066)	0	**0%**	→
Use of Reserves	(975)	(569)	(975)	0	**0%**	→
Total Resources	**(222,838)**	**(145,271)**	**(222,838)**	**0**	**0%**	→
Net Expenditure	**(0)**	**(11,902)**	**(650)**	**(650)**	**-0.29%**	↑

WEST DUNBARTONSHIRE COUNCIL **APPENDIX 2**

REVENUE BUDGETARY CONTROL 2019/2020

STRATEGIC DIRECTOR - TRANSFORMATION & PUBLIC SECTOR REFORM

PERIOD END DATE **31 October 2019**

Service / Subjective Summary	Total Budget 2019/20	Spend to Date 2019/20	Projected Spend	Variance 2019/20		Annual RAG Status
Service Summary	**£000**	**£000**	**£000**	**£000**	**%**	
Procurement	615	555	591	(24)	-4%	↑
Total Net Expenditure	**615**	**555**	**591**	**(24)**	**-4%**	↑

WEST DUNBARTONSHIRE COUNCIL
REVENUE BUDGETARY CONTROL 2019/2020
RESOURCES SUMMARY

APPENDIX 2

PERIOD END DATE **31 October 2019**

Service / Subjective Summary	Total Budget 2019/20	Spend to Date 2019/20	Projected Spend	Variance 2019/20		Annual RAG Status
Service Summary	**£000**	**£000**	**£000**	**£000**	**%**	
Audit	150	208	140	(10)	-7%	↑
Central Administration Support	2,390	1,311	2,342	(48)	-2%	↑
Finance	1,397	948	1,407	10	1%	↓
Rent Rebates & Allowances	(46)	2,312	(46)	0	0%	→
Revenues & Benefits	2,059	1,390	2,059	0	0%	→
Finance Business Centre	284	161	292	8	3%	↓
Cost of Collection of Rates	24	0	25	1	4%	↓
Cost of Collection of Council Tax	(782)	(165)	(782)	0	0%	→
Total Net Expenditure	**5,476**	**6,165**	**5,437**	**(39)**	**-1%**	↑

WEST DUNBARTONSHIRE COUNCIL
REVENUE BUDGETARY CONTROL 2019/2020
REGULATORY SUMMARY

APPENDIX 2

PERIOD END DATE **31 October 2019**

Service / Subjective Summary	Total Budget 2019/20	Spend to Date 2019/20	Projected Spend	Variance 2019/20		Annual RAG Status
Service Summary	**£000**	**£000**	**£000**	**£000**	**%**	
Democratic and Registration Service	734	386	718	(16)	-2%	↑
Environmental Health/ Trading Standards	670	422	694	24	4%	↓
Licensing	(120)	(96)	(99)	21	-18%	↓
Legal Services	879	561	879	0	0%	→
Planning	425	64	337	(88)	-21%	↑
Total Net Expenditure	**2,588**	**1,337**	**2,529**	**(59)**	**-2%**	↑

WEST DUNBARTONSHIRE COUNCIL
REVENUE BUDGETARY CONTROL 2019/2020
PEOPLE AND TECHNOLOGY

APPENDIX 2

PERIOD END DATE **31 October 2019**

Service / Subjective Summary	Total Budget 2019/20	Spend to Date 2019/20	Projected Spend	Variance 2019/20		Annual RAG Status
Service Summary	**£000**	**£000**	**£000**	**£000**	**%**	
Transactional Services	646	369	654	8	1%	↓
Human Resources (including risk)	1,216	603	1,195	(21)	-2%	↑
Information Services	3,859	2,784	3,853	(6)	0%	↑
Change Support	365	202	302	(63)	-17%	↑
Total Net Expenditure	**6,086**	**3,958**	**6,004**	**(82)**	**-1%**	↑

WEST DUNBARTONSHIRE COUNCIL
REVENUE BUDGETARY CONTROL 2019/2020
COMMUNICATIONS, CULTURE AND COMMUNITIES

APPENDIX 2

PERIOD END DATE **31 October 2019**

Service / Subjective Summary	Total Budget 2019/20	Spend to Date 2019/20	Projected Spend	Variance 2019/20		Annual RAG Status
Service Summary	**£000**	**£000**	**£000**	**£000**	**%**	
Communications & Marketing	309	171	310	1	0%	↓
Citizen Services	1,363	731	1,342	(21)	-2%	↑
Performance & Strategy	349	187	350	1	0%	↓
Libraries, Museums, Culture	1,743	938	1,737	(6)	0%	↑
Arts and Heritage	453	242	422	(31)	-7%	↑
Office Accommodation	1,491	926	1,543	52	3%	↓
Clydebank Town Hall	375	191	374	(1)	0%	↑
Catering Services	4,122	2,024	4,145	23	1%	↓
Building Cleaning	1,473	859	1,491	18	1%	↓
Building Cleaning PPP	(261)	(179)	(275)	(14)	5%	↑
Facilities Assistants	2,087	975	1,945	(142)	-7%	↑
Facilities Management	327	203	338	11	3%	↓
Leisure Management	3,141	2,634	3,271	130	4%	↓
Events	120	67	105	(15)	-13%	↑
Total Net Expenditure	**17,091**	**9,969**	**17,098**	**6**	**0%**	↓

WEST DUNBARTONSHIRE COUNCIL
REVENUE BUDGETARY CONTROL 2019/2020
EDUCATION, LEARNING AND ATTAINMENT

APPENDIX 2

PERIOD END DATE **31 October 2019**

Service / Subjective Summary	Total Budget 2019/20	Spend to Date 2019/20	Projected Spend	Variance 2019/20		Annual RAG Status
Service Summary	**£000**	**£000**	**£000**	**£000**	**%**	
Primary Schools	27,817	16,558	27,890	73	0%	↓
Secondary Schools	26,449	15,945	26,601	152	1%	↓
Specialist Educational Provision	14,840	7,906	15,192	352	2%	↓
Psychological Services	492	246	422	(70)	-14%	↑
Sport Development / Active Schools	579	310	579	0	0%	→
Early Education	8,343	555	8,135	(208)	-2%	↑
PPP	14,776	10,616	14,530	(246)	-2%	↑
Cultural Services	564	273	571	8	1%	↓
Curriculum for Excellence	182	77	182	(0)	0%	↑
Central Admin	252	203	287	36	14%	↓
Workforce CPD	341	219	356	16	5%	↓
Performance & Improvement	430	219	420	(10)	-2%	↑
Education Development	1,461	570	1,430	(31)	-2%	↑
Raising Attainment - Primary	0	(0)	0	0	0%	→
Raising Attainment - Secondary	(0)	(0)	0	0	-100%	↓
Pupil Equity Fund (including LAC PEF)	(0)	(0)	0	0	-100%	↓
Total Net Expenditure	**96,524**	**53,697**	**96,596**	**73**	**0%**	↓

WEST DUNBARTONSHIRE COUNCIL
REVENUE BUDGETARY CONTROL 2019/2020
NEIGHBOURHOOD

APPENDIX 2

PERIOD END DATE **31 October 2019**

Service / Subjective Summary	Total Budget 2019/20	Spend to Date 2019/20	Projected Spend	Variance 2019/20		Annual RAG Status
Service Summary	**£000**	**£000**	**£000**	**£000**	**%**	
Roads Operations	(872)	3,349	(852)	20	-2%	↓
Roads Services	4,169	1,936	4,144	(25)	-1%	↑
Transport, Fleet & Maintenance Services	(428)	514	(428)	(1)	0%	↑
Grounds Maintenance & Street Cleaning Client	7,363	4,295	7,363	0	0%	→
Outdoor Services	234	120	262	28	12%	↓
Burial Grounds	(139)	(249)	(144)	(5)	4%	↑
Crematorium	(948)	(373)	(896)	52	-5%	↓
Waste Services	7,641	4,005	7,558	(83)	-1%	↑
Depots	0	315	0	0	0%	→
Ground Maintenance & Street Cleaning Trading A/c	(2,509)	(1,608)	(2,571)	(63)	3%	↑
Total Net Expenditure	**14,512**	**12,305**	**14,435**	**(77)**	**-1%**	↑

WEST DUNBARTONSHIRE COUNCIL
REVENUE BUDGETARY CONTROL 2019/2020
HOUSING AND EMPLOYABILITY

APPENDIX 2

PERIOD END DATE **31 October 2019**

Service / Subjective Summary	Total Budget 2019/20	Spend to Date 2019/20	Projected Spend	Variance 2019/20		Annual RAG Status
Service Summary	**£000**	**£000**	**£000**	**£000**	**%**	
Working 4 U	2,893	1,736	2,892	(2)	0%	↑
Communities	860	404	854	(6)	-1%	↑
Homeless Persons	245	210	226	(18)	-7%	↑
Private Sector housing	43	13	47	4	9%	↓
Anti Social Behaviour	514	169	503	(11)	-2%	↑
Total Net Expenditure	**4,556**	**2,531**	**4,523**	**(33)**	**-1%**	↑

WEST DUNBARTONSHIRE COUNCIL **APPENDIX 2**

REVENUE BUDGETARY CONTROL 2019/2020

REGENERATION

PERIOD END DATE **31 October 2019**

Service / Subjective Summary	Total Budget 2019/20	Spend to Date 2019/20	Projected Spend	Variance 2019/20		Annual RAG Status
Service Summary	**£000**	**£000**	**£000**	**£000**	**%**	
Housing Maintenance Trading A/c	(1,239)	(1,549)	(1,248)	(9)	1%	↑
Housing Asset and Investment	49	3	5	(43)	-89%	↑
Corporate Assets and Capital Investment Programme	(2,271)	(1,146)	(2,293)	(22)	1%	↑
Economic Development	368	113	390	22	6%	↓
Central Repairs & Maintenance	(238)	(78)	(244)	(5)	2%	↑
Private Sector Housing Grants	95	(102)	96	1	1%	↓
Consultancy Services	471	239	478	7	1%	↓
Total Net Expenditure	**(2,765)**	**(2,520)**	**(2,815)**	**(49)**	**2%**	↑

WEST DUNBARTONSHIRE COUNCIL
REVENUE BUDGETARY CONTROL 2019/2020
MISCELLANEOUS

APPENDIX 2

PERIOD END DATE **31 October 2019**

Service / Subjective Summary	Total Budget 2019/20	Spend to Date 2019/20	Projected Spend	Variance 2019/20		Annual RAG Status
Service Summary	**£000**	**£000**	**£000**	**£000**	**%**	
Sundry Services	3,331	2,130	3,491	160	5%	↓
Members Allowances, etc	597	332	583	(14)	-2%	↑
European Employability	510	298	510	0	0%	→
Chief Executive, Directors and Strategic Leads	1,287	754	1,321	34	3%	↓
Total Net Expenditure	**5,725**	**3,514**	**5,905**	**180**	**3%**	↓

WEST DUNBARTONSHIRE COUNCIL **APPENDIX 3**
REVENUE BUDGETARY CONTROL 2019/2020
ANALYSIS FOR VARIANCES OVER £50,000

YEAR END DATE **31 October 2019**

Budget Details	Variance Analysis				
	Total Budget	Projected Spend	Variance		RAG Status
	£000	£000	£000	%	
Regulatory					
Planning	425	337	(88)	-21%	↑
Service Description	This Service provides Building & Planning services				
Main Issues / Reason for Variance	There are two main reasons for the favourable variance, income is higher than budgeted and there are a number of vacant posts which are currently being filled. This is a demand led budget for income and can fluctuate throughout the year.				
Mitigating Action	No action required				
Anticipated Outcome	Underspend is anticipated				
People & Technology					
Change Support	365	302	(63)	-17%	↑
Service Description	This Service enables transformational change and development, it also has the Central Training Budget for the Council.				
Main Issues / Reason for Variance	The main reason for the favourable variance is vacancies.				
Mitigating Action	None required				
Anticipated Outcome	Underspend is anticipated				
Communications, Culture, Community and Facilities					
Office Accommodation	1,491	1,543	52	3%	→
Service Description	Provision of shared office accommodation				
Main Issues / Reason for Variance	The main reason for an adverse variance is that there is insufficient budget for property costs – there was no historical data when the running costs for the new building were put into budgets				
Mitigating Action	With occupancy in some of the buildings in the first year, the budget will continue to be monitored to identify any efficiencies or reductions to the anticipated costs.				
Anticipated Outcome	A year end overspend is currently anticipated				
Facilities Assistants	2,087	1,945	(142)	-7%	↑
Service Description	This service provides Facility Assistants throughout WDC buildings				
Main Issues / Reason for Variance	There has been a reduction in Facilities Assistant costs for a variety of reasons - such as: rationalisation of schools estate and campus approach; timing of filling vacant posts; reduction in overtime due to less out of hours requests				
Mitigating Action	The vacancies have been managed throughout the year taking cognisance of demand from service users to ensure no effect on service delivery				
Anticipated Outcome	Underspend will be achieved				

WEST DUNBARTONSHIRE COUNCIL **APPENDIX 3**
REVENUE BUDGETARY CONTROL 2019/2020
ANALYSIS FOR VARIANCES OVER £50,000

YEAR END DATE **31 October 2019**

Budget Details	Variance Analysis				
	Total Budget	Projected Spend	Variance		RAG Status
	£000	£000	£000	%	
Leisure Management	3,141	3,271	130	4%	↓
Service Description	Payment to West Dunbartonshire Leisure Trust for leisure services				
Main Issues / Reason for Variance	The reason for this variance is in relation to the projected non achievement in-year of the community facilities saving				
Mitigating Action	Limited action can be taken to reduce this overspend until a firm decision is made as to the future of the community facilities				
Anticipated Outcome	A year end overspend is currently anticipated				

Education , Learning and Attainment

Primary Schools	27,817	27,890	73	0%	↓
Service Description	This service area includes all Primary Schools.				
Main Issues / Reason for Variance	The main variances arise because teacher salaries are greater than assumed in the budget, partly because the number of probationers since August is greater than budgeted (offset by grant income), and savings from teacher turnover and APT&C staff have not materialised (£165k). In addition there are adverse cover costs of £70k. This has been partly offset by additional income, mainly from staff secondments (£125k).				
Mitigating Action	Management will continue to review the service and take action were appropriate to minimise the overspend				
Anticipated Outcome	An overspend is likely to continue				

Secondary Schools	26,449	26,601	152	1%	↓
Service Description	This service area includes all Secondary Schools.				
Main Issues / Reason for Variance	The main adverse variances are the significant drop in demand for school meals and vending machine income in the secondaries (£181k) and the school meals income budget being overstated (£62k). In addition teacher costs, including cover, are higher than budgeted (£284k), part of which is attriburtable to the increased number of probationers since August (offset by government grant income). This is partially offset by non-teaching vacancies and a projected underspend on the school bus contract.				
Mitigating Action	Management will continue to review the service and take action were appropriate to minimise the overspend				
Anticipated Outcome	An adverse variance is likely to continue				

WEST DUNBARTONSHIRE COUNCIL **APPENDIX 3**
REVENUE BUDGETARY CONTROL 2019/2020
ANALYSIS FOR VARIANCES OVER £50,000

YEAR END DATE **31 October 2019**

Budget Details	Variance Analysis				
	Total Budget	Projected Spend	Variance		RAG Status
	£000	£000	£000	%	
Specialist Educational Provision	14,840	15,192	352	2%	↓
Service Description	This service area covers all ASN Services.				
Main Issues / Reason for Variance	The overspend on day care placements (£327k) has increased following the placement of several cases with needs that could not be accommodated within the existing schools' estate.				
Mitigating Action	The requirement for Daycare Placements are demand-led services taken jointly with HSCP following a joint assessment of the best option for all concerned. However, the actual usage throughout the year will be reviewed regularly to identify where there is scope to reduce the number of placements.				
Anticipated Outcome	If current levels of demand continue then it is anticipated that the Daycare budget will overspend.				

Psychological Services	492	422	(70)	-14%	↑
Service Description	This service provides Psychological Support to pupils within West Dunbartonshire.				
Main Issues / Reason for Variance	This favourable variance is due to staff secondments to SAC/PEF and Early Years expansion.				
Mitigating Action	No action necessary due to a favourable variance				
Anticipated Outcome	A favourable variance likely to continue.				

Early Education	8,343	8,135	(208)	-2%	↑
Service Description	This services area includes all Early Years establishments within West Dunbartonshire.				
Main Issues / Reason for Variance	Employee Costs are showing an underspend mainly due to staff vacancies. Some of this is roll-related (and will change as roll numbers rise during the year) and some is due to delays in the recruitment process.				
Mitigating Action	Staffing levels vary continuously basis due to the statutory staff/ children ratios. Vacancies will continue to be monitored to ensure the most efficient use of staffing and financial resources. Recruitment has been ongoing and a number of new starts are anticipated in November. This will ensure that the level of service - dictated by roll numbers - is not adversely affected.				
Anticipated Outcome	A favourable variance is projected at the year end.				

WEST DUNBARTONSHIRE COUNCIL **APPENDIX 3**
REVENUE BUDGETARY CONTROL 2019/2020
ANALYSIS FOR VARIANCES OVER £50,000

YEAR END DATE **31 October 2019**

Budget Details	Variance Analysis				
	Total Budget	Projected Spend	Variance		RAG Status
	£000	£000	£000	%	
PPP	14,776	14,530	(246)	-2%	↑
Service Description	This service area includes Vale of Leven, Clydebank High and St Peter the Apostle High Schools and St Eunan's Primary School. The costs charged to this service are Property costs and the Unitary charge.				
Main Issues / Reason for Variance	This favourable variance is in relation to lower than anticipated utility costs which reflects 2018/19 outturn				
Mitigating Action	No action required				
Anticipated Outcome	A favourable variance is projected at the year end.				

Roads and Neighbourhood

Crematorium	(948)	(896)	52	-5%	↓
Service Description	This service provides crematorium services within the Council area				
Main Issues / Reason for Variance	The main reason for the adverse variance is due to income from cremations being less than anticipated				
Mitigating Action	This service is dependant on mortality rates in the area. Costs are mainly fixed and as such minimal reductions are evident				
Anticipated Outcome	Shortfall In Income				

Waste Services	7,641	7,558	(83)	-1%	↑
Service Description	Waste Collection and Refuse disposal services				
Main Issues / Reason for Variance	This favourable variance is a combination of underspend on staffing due to reduced cover requirements ,lower transport and publicity/promotions costs				
Mitigating Action	No action required				
Anticipated Outcome	Underspend anticipated				

Ground Maintenance & Street Cleaning Trading A/c	(2,509)	(2,571)	(63)	3%	↑
Service Description	Trading operation providing grounds maintenance and street cleaning services				
Main Issues / Reason for Variance	The main reason for the favourable variance is a reduction in employee costs as a result of efficient working practices resulting in less seasonal staff being required				
Mitigating Action	None required as the variance is favourable				
Anticipated Outcome	An underspend is likely				

WEST DUNBARTONSHIRE COUNCIL **APPENDIX 3**
REVENUE BUDGETARY CONTROL 2019/2020
ANALYSIS FOR VARIANCES OVER £50,000

YEAR END DATE **31 October 2019**

Budget Details	Variance Analysis				
	Total Budget	Projected Spend	Variance		RAG Status
	£000	£000	£000	%	
Miscellaneous					
Sundry Services	3,331	3,491	160	5%	↓
Service Description	This service area budgets for non departmental specific costs such as pensions costs, external grants and elderly welfare payments, external audit fees and insurance costs. The service heading also holds a number of general savings options which have still to be fully allocated				
Main Issues / Reason for Variance	The main variances identified were in relation to insurance excesses (based upon recent historic data) and pension costs				
Mitigating Action	Management will continue to monitor and maximise actions taken to achieve a level of savings, where appropriate				
Anticipated Outcome	An overspend is anticipated				
Other					
Contingency Fund	366	(180)	(546)	-149%	↑
Service Description	The contingency fund is used to accommodate externally influenced movements in service budgets				
Main Issues / Reason for Variance	The balance held in the contingency fund relates to a proportion of the budget for Carbon Reduction Commitment no longer being required and a balance of service budget following the annual recurring variance exercise				
Mitigating Action	No mitigating action required as variance is favourable.				
Anticipated Outcome	Underspend will be achieved				

WEST DUNBARTONSHIRE COUNCIL
MONITORING OF EFFICIENCIES AND MANAGEMENT ADJUSTMENTS 2019/20 **Appendix 4**

Efficiency reference	Efficiency Detail	budgeted Amount £	Projection of Total Saved £	Projection of Total Not Saved £	Comment
MA1	Corporate Review of Service Management structures	250,000	250,000	-	
MA2	Resources Service Restructure	317,879	317,879	-	
MA4	Expansion of Pest Control Service	1,500	1,500	-	
MA5	Reduce travel budget by use of pool cars (EH)	2,000	2,000	-	
MA6	Stop providing newspapers, tea, coffee, milk, etc to elected members.	2,000	2,000	-	
MA7	Regulatory Services - service restructure and appropriate capitalisation	105,723	105,723	-	
MA8	Reduce Training Budget	5,000	5,000	-	
MA9	Rationalise software systems within ICT estate to reduce areas of duplication - reducing ongoing licencing costs	30,000	30,000	-	
MA10	Restructure of People & Technology Service	35,041	35,041	-	
MA11	Reduce budget for upskilling of early years workforce - not required due to high levels of qualifications in place	19,319	19,319	-	
MA12	Reduce Payment to Other Bodies - Education due to improved in-house capacity and capabilities	80,000	80,000	-	
MA13	Education Service Rationalisation	81,000	81,000	-	
MA14	Provision of food hygiene training to Working from U and other parts of the Council (Facilities Management) EH	1,000	1,000	-	
MA15	Reduce revenue maintenance budget in Roads following capital investment	50,000	50,000	-	
MA16	Restructure Environment & Neighbourhood services across the 4 services to reflect current service delivery proposals	150,000	127,680	22,320	Not anticipated to be fully achieved due to the timing of VER/VS/redeployment
MA17	Reduction in management fee for WDLT	150,000	150,000	-	
MA18	Capitalisation of staff costs across Roads, Transport and Greenspace as a result of time required to manage the significant capital investment	350,000	350,000	-	
MA19	Undertake a proportion of asbestos surveys in void houses in-house rather than use an external contractor to deliver all survey work.	3,000	3,000	-	

WEST DUNBARTONSHIRE COUNCIL
MONITORING OF EFFICIENCIES AND MANAGEMENT ADJUSTMENTS 2019/20 **Appendix 4**

Efficiency reference	Efficiency Detail	budgeted Amount £	Projection of Total Saved £	Projection of Total Not Saved £	Comment
MA20	Undertake legionella risk assessments in house rather than using external contractor.	10,000	10,000	-	
MA21	Economic Development - Other Funding - end contribution towards Great Scottish Swim to zero	10,000	10,000	-	
MA22	Regeneration Services restructure	36,409	36,409	-	
MA23	Capitalise appropriate Regeneration team staff costs	50,663	50,663	-	
MA24	Increased capitalisation of staff costs across Asset Management following a review of time spent to manage the significant capital investment	433,000	433,000	-	
MA26	Increased charge to Renfrewshire Council for management of Empty Homes Service	3,000	3,000	-	
MA27	Budget for Internships reduced	15,000	15,000	-	
MA28	Homelessness (Housing Solutions) Service Redesign	25,000	25,000	-	
MA29	30+ employment grant to be incorporated into EU funded programme	35,000	35,000	-	
MA31	Restructure of Anti-Social Behaviour & Estate Caretaking Services	57,528	57,528	-	
SO	Overtime saving	150,000	150,000	-	
MA	Overtime saving	150,000	150,000	-	
SO25	Undertake a review of Community Facilities operated by WDLT	130,000	-	130,000	Savings options have been to Community Consultation and work to identify the best options for delivery of the saving whilst preserving local access to facilities is continuing.
		2,739,062	2,586,742	152,320	

WEST DUNBARTONSHIRE COUNCIL
GENERAL SERVICES CAPITAL PROGRAMME
OVERALL PROGRAMME SUMMARY

APPENDIX 5

MONTH END DATE 31 October 2019

PERIOD 7

Project Status Analysis	Project Life Status Analysis				Current Year Project Status Analysis			
	Number of Projects at RAG Status	% Projects at RAG Status	Spend to Date £000	% Project Spend at RAG Status	Number of Projects at RAG Status	% Projects at RAG Status	Spend to Date £000	% Project Spend at RAG Status
Red								
Projects are forecast to be overspent and/or experience material delay to completion	12	12.6%	71,471	39.6%	12	12.6%	5,384	23.7%
Amber								
Projects are either at risk of being overspent and/or delay in completion (although this is unquantifiable at present) or the project has any issues that require to be reported at this time	10	10.5%	5,968	3.3%	10	10.5%	578	2.5%
Green								
Projects are on target both in relation to overall budget and the forecast stages in the project life cycle and no issues are anticipated at this time	73	76.8%	103,129	57.1%	73	76.8%	16,750	73.8%
TOTAL EXPENDITURE	**95**	**100%**	**180,568**	**100%**	**95**	**100%**	**22,712**	**100%**

Project Status Analysis	Project Life Financials				Current Year Financials					
	Budget £000	Spend to Date £000	Forecast Spend £000	Forecast Variance £000	Budget £000	Spend to Date £000	Forecast Spend £000	Forecast Variance £000	Slippage £000	Over/ (Under) £000
Red										
Projects are forecast to be overspent and/or significant delay to completion	101,100	71,471	102,339	1,240	13,299	5,384	9,681	(3,618)	(4,031)	412
Amber										
Projects are either at risk of being overspent and/or delay in completion (although this is unquantifiable at present) or the project has any issues that require to be reported at this time	62,268	5,968	62,308	40	13,811	578	6,127	(7,684)	(7,844)	160
Green										
Projects are on target both in relation to overall budget and the forecast stages in the project life cycle and no issues are anticipated at this time	171,733	103,129	171,730	(2)	47,066	16,750	46,922	(144)	(22)	(122)
TOTAL EXPENDITURE	**335,100**	**180,568**	**336,377**	**1,277**	**74,177**	**22,712**	**62,730**	**(11,447)**	**(11,897)**	**450**
TOTAL RESOURCES	**(335,100)**	**(180,568)**	**(336,377)**	**(1,277)**	**(74,177)**	**(22,711)**	**(62,730)**	**11,447**		
NET EXPENDITURE	**0**	**0**	**0**	**(0)**	**0**	**0**	**0**	**0**		

WEST DUNBARTONSHIRE COUNCIL **APPENDIX 6**
GENERAL SERVICES CAPITAL PROGRAMME
ANALYSIS OF PROJECTS AT RED ALERT STATUS

MONTH END DATE **31 October 2019**

PERIOD **7**

	Budget Details	Project Life Financials					
		Budget	Spend to Date		Forecast Spend	Variance	
		£000	£000	%	£000	£000	%
1	**Kilpatrick School - New Build**						
	Project Life Financials	10,571	10,687	101%	10,836	265	3%
	Current Year Financials	56	173	306%	321	265	469%
	Project Description	Design and build of construction of Additional Support Needs School.					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Mar-20
2	**OLSP - New Build**						
	Project Life Financials	3,677	4,084	111%	4,094	417	11%
	Current Year Financials	0	0	0%	10	10	0%
	Project Description	Design and construction of new Secondary School in Bellsmyre, Dumbarton.					
	Project Lifecycle	Planned End Date		31-Mar-19	Actual End Date		31-Mar-19

Main Issues / Reason for Variance

The Final Account has yet to be agreed and will require to be negotiated as the contractor is claiming additional monies beyond the contract sum and available budget, which generates a financial risk that Officers are seeking to mitigate where possible. At present, the forecast outturn is anticipating an overspend in the region of £0.265m which constitutes the additional asbestos removal costs and the final 1.5% retention which there is a contractual obligation to pay. Previously an anticipated overspend has been reported but there is a risk this may increase because the contractor has applied for payment greater than the agreed contract sum and has also submitted a loss and expense claim which is currently being determined. Officers continue to work to fully agree the final account and determine the extent of overspend. Project was physically complete November 2017 with retentions due to be paid when all defects are rectified. At this time there are two defects still to be resolved, however it is anticipated retention release will occur this financial year.

Mitigating Action

Opportunities to mitigate are limited at this time. The Council are obligated to make substantiated payment, however continue to meet with Hubwest on a monthly basis with a view to agreeing the final account and resolving the financial position.

Anticipated Outcome

Project complete albeit over budget.

Main Issues / Reason for Variance

Project handed over and school opened on 25 October 2017, snagging process is complete and retentions have been released in relation to the new build. Originally £0.264m was contained within the budget for demolition but this was exceeded by £0.134m. Abnormals in respect of ground conditions also required to be paid from WDC Capital Contributions. Demolition is now complete and retentions of £0.010m on demolition project are due January 2020. The remaining overspend of £0.273m is in relation to late contractor change notices.

Mitigating Action

None available at this time due to cost of demolition being in excess of budgetary provision.

Anticipated Outcome

New Build opened to pupils on 25 October 2017 in line with the programme, however due to the tender for the demolition being in excess of budgetary provision and additional costs required to be paid from WDC capital contribution the project will report an overspend of £0.417m.

WEST DUNBARTONSHIRE COUNCIL **APPENDIX 6**
GENERAL SERVICES CAPITAL PROGRAMME
ANALYSIS OF PROJECTS AT RED ALERT STATUS

MONTH END DATE **31 October 2019**

PERIOD **7**

	Budget Details	Project Life Financials					
		Budget	Spend to Date		Forecast Spend	Variance	
		£000	£000	%	£000	£000	%
3	**New Balloch Campus**						
	Project Life Financials	16,464	16,691	101%	16,703	239	1%
	Current Year Financials	18	24	133%	36	18	102%
	Project Description	Construction of new primary school in Balloch to incorporate St Kessog's PS, Haldane PS and Jamestown PS and EE&CC.					
	Project Lifecycle	Planned End Date	31-Mar-20		Actual End Date	31-Mar-20	

Main Issues / Reason for Variance

The main construction project reached the end of the defect rectification period on 9 February 2019, however retention of £0.016m is currently being held and will be released when the Making Good Defects certificate which is forecast to be issued December 2019. The overall project is reporting an anticipated overspend of £0.239m at this time and is expected to be financially complete by 31 March 2020 with the release of the Haldane demolition figure.

Mitigating Action

None available.

Anticipated Outcome

Delivery of project on programme, however forecast overspend in the region of £0.239m.

4	**Kilmaronock Cemetery Extension**						
	Project Life Financials	217	0	0%	217	0	0%
	Current Year Financials	217	0	0%	20	(197)	-91%
	Project Description	Extension of existing cemetery at Kilmaronock.					
	Project Lifecycle	Planned End Date	31-Mar-20		Forecast End Date	31-Dec-19	

Main Issues / Reason for Variance

The original planned project to extend the current cemetery is no longer viable due to soil depth and land being unsuitable. Another field adjacent to the church has been identified as potentially being suitable, however this land is currently owned by Church of Scotland. Estates have now made final contact with Church of Scotland and are awaiting response and permission to carry out site investigation works to see if the ground is suitable to be used for the cemetery extension. Given the delay in Church of Scotland's response at this time it is estimated that only approx. £0.020m will be spent in 2019/20 with £0.197m required to be rephased to 2020/21 .

Mitigating Action

Officers to engage with Church of Scotland regarding possible use of land in field adjacent to take the project forward.

Anticipated Outcome

To provide further burial space at Kilmaronock Cemetery although later than anticipated.

5	**Posties Park Sports Hub - New sports hub to include Gym & running track**						
	Project Life Financials	1,802	75	4%	2,002	200	11%
	Current Year Financials	1,656	14	1%	928	(728)	-44%
	Project Description	Creation of a sports hub at Posties/Marinecraft to include a new changing pavilion/Gym, new					
	Project Lifecycle	Planned End Date	31-Mar-21		Forecast End Date	31-Oct-20	

Main Issues / Reason for Variance

Initial cost estimates indicated a budget shortfall of £0.300m due to ground conditions meaning that the foundations had to be designed to be more substantial than first anticipated and decontamination that was required due to asbestos discovered on site. As a result of this value engineering exercises have been undertaken which would have brought the project back within budget, however the revised plans were not approved by Planning. Following discussions with Planning a design has now been agreed which will result in a project overspend of £0.200m. Contract was awarded August 2019 and revised start date yet to be confirmed, however it is anticipated that £0.928m will be spent this financial year with £0.728m of this years budget being rephased to 2020/21. £0.060m has already been spent on the project prior year to date, the rephased £0.728m will be added to the budget already set for 2020/21 of £0.086m, giving the revised overall forecasted spend for the life of the project at £2.002m.

Mitigating Action

None required at this time.

Anticipated Outcome

Creation of sports hub now anticipated during 2020.

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ANALYSIS OF PROJECTS AT RED ALERT STATUS

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	Budget Details	Project Life Financials					
		Budget	Spend to Date		Forecast Spend	Variance	
		£000	£000	%	£000	£000	%
6	**New Westbridgend Community Centre**						
	Project Life Financials	675	40	6%	675	(0)	0%
	Current Year Financials	635	0	0%	0	(635)	-100%
	Project Description	New Westbridgend Community Centre.					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Mar-21
	Main Issues / Reason for Variance						
	Feasibility designs are ongoing and various positive meetings have taken place with the group. Designs have now been approved to allow progression to planning application stage.						
	Mitigating Action						
	None available at this time.						
	Anticipated Outcome						
	Project to be delivered later than anticipated due to various factors.						
7	**A813 Road Improvement Phase 1**						
	Project Life Financials	2,325	735	32%	2,325	0	0%
	Current Year Financials	836	21	3%	300	(536)	-64%
	Project Description	A813 Road Improvement Phase 1.					
	Project Lifecycle	Planned End Date		31-Mar-21	Forecast End Date		31-Mar-21
	Main Issues / Reason for Variance						
	Further works have been identified as part of a project anticipated to commence autumn 2019. Project works will include resurfacing Dumbarton to Lions Gate, and consultancy and potential local land purchase. At this time it is anticipated that an element of these works will be required to be rephased to 2020/21 due to works being carried out by Scottish Power before project work can commence. This project will also be effected by the closure of Lomond Bridge therefore at this time it anticipated that only £0.300m of the budget will be spent in 2019/20 with £0.536m required to be rephased to 2020/21.						
	Mitigating Action						
	None required at this time.						
	Anticipated Outcome						
	To provide an improved A813.						
8	**Office Rationalisation**						
	Project Life Financials	21,962	21,931	100%	22,081	119	1%
	Current Year Financials	490	459	94%	609	119	24%
	Project Description	Delivery of office rationalisation programme.					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		30-Sep-19
	Main Issues / Reason for Variance						
	New Dumbarton Office has been opened to staff from 21 May 2018. On completion of final defects, the final account and retention settlement of £0.250m was paid October 2019, thereafter the remaining HES grant of £0.50m will be awarded. Contractor was awarded following the December 2018 Tender Committee to carry out the demolition for Garshake. Demolition commenced 25 February with a 36 week programme and due to complete by the end of November 2019. The project is currently forecasting an overspend of approx. £0.119m. The current overall project overspend is due to additional costs associated with the clearance of Garshake, unforeseen internal recharges, variations to project delivery, and asbestos removal.						
	Mitigating Action						
	None available.						
	Anticipated Outcome						
	Project delivered at a higher cost than budgeted.						

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	Budget Details	Project Life Financials					
		Budget	Spend to Date		Forecast Spend	Variance	
		£000	£000	%	£000	£000	%
9	**Depot Rationalisation**						
	Project Life Financials	8,535	81	1%	8,535	0	0%
	Current Year Financials	1,084	30	3%	180	(904)	-83%
	Project Description	Depot Rationalisation.					
	Project Lifecycle	Planned End Date		31-Mar-23	Forecast End Date		31-Mar-23

Main Issues / Reason for Variance

A revised business case is in the process of being developed. Keppie Design have been appointed as the approved contractor and Project Boards have been set up. Stage 2 development of ideas is complete, however awaiting commercial status of potential vacant site. Managers and staff workshops are underway and briefing on developments will be reported at a later Project Board. In light of recent discussions around requirement for potential waste management centre and change in service delivery for Greenspace, Roads and Waste & Transport services, the budget allocation of £1.084m will not now be fully committed by March 2020. Forecast spend in 2019/20 is £0.180m which will be allocated against cost modelling, site investigations, undertaking condition surveys, and therefore £0.904m is required to be rephased to 2020/21.

Mitigating Action

None available at this time.

Anticipated Outcome

Project business case will be brought back to project board and Council when the implication of shared services is known.

10	**Leisure Energy projects - air handling units, upgrade lighting, circulating pumps, and draught proofing**						
	Project Life Financials	290	62	21%	290	0	0%
	Current Year Financials	231	3	1%	10	(221)	-96%
	Project Description	Measures to be installed at both Meadow Centre & Vale of Leven Swimming Pool; new pool hall Air Handling Units, upgrade lighting, circulating pumps Vale of Leven Swimming Pool, internal and external lighting and draught proofing.					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Mar-21

Main Issues / Reason for Variance

Works to be completed relate to Air Handling Unit (AHU) upgrades at Meadow Centre. It was decided that installing an air handling unit outside would minimise disruption to customers, staff and business. Structural engineers were required to carry out soil samples to confirm the ground was suitable to build an external base for the unit however the positive result took a considerable amount of time to return. More recent delays relate to the design and details of the new foundation slab and requires to be re-configured due to the discovery of the unusually large projection of the foundation from the face of the main building. This altered the concept of the design of the proposed foundations so further works were required before it could go to tender. Tenders for the structure have now been evaluated and planning permission has been requested but not yet granted so appears unlikely that this element of the project will complete in 2019/20 and is required to be rephased to 2020/21. At this time forecast spend in 2019/20 is £0.010m with £0.221m required to be rephased to 2020/21.

Mitigating Action

None available at this time.

Anticipated Outcome

To install air handling units, upgrade lighting, circulating pumps and draught proofing to improve energy efficiency in leisure centres. Project expected to deliver within budget albeit later than first anticipated.

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	Budget Details	Project Life Financials					
		Budget	Spend to Date		Forecast Spend	Variance	
		£000	£000	%	£000	£000	%
11	**Queens Quay District Heating Network**						
	Project Life Financials	19,500	16,629	85%	19,500	0	0%
	Current Year Financials	6,726	4,308	64%	6,726	0	0%
	Project Description	Queens Quay District Heating Network.					
	Project Lifecycle	Planned End Date		31-Mar-21	Forecast End Date		30-Apr-20

Main Issues / Reason for Variance

An additional £3m of capital funding approved by Members at 2018 June Council meeting has been phased into 2019/20 and tender negotiations have been finalised and Letters of Intent have been issued. The principle pipe network is complete except for the final connection to the energy centre which will happen once the internal fit out begins. The energy centre is due to complete, including the internal fit out 30 April 2020. The £6m grant funding has been fully spent. Additional spend of £4.4m has now been approved at a Special Council meeting on 29 October 2019.

Mitigating Action

Opportunities to mitigate are limited.

Anticipated Outcome

Project will be delivered over original budget.

12	**Regeneration Fund**						
	Project Life Financials	15,082	457	3%	15,082	0	0%
	Current Year Financials	1,351	352	26%	541	(810)	-60%
	Project Description	Funding to implement major regeneration projects linked to community charrettes. (Created through underspend from Education).					
	Project Lifecycle	Planned End Date		31-Mar-24	Forecast End Date		31-Mar-24

Main Issues / Reason for Variance

Variance in spend is due to reasons of current viability, Bowling Harbour development is on hold pending outcome of North Clyde Riverbank masterplan. Connecting Clydebank had been delayed due to issues that are now resolved with planning permission and funding - a contractor has been secured and the project will be underway during 2020. Although foreshore clearance work has now been completed at Dumbarton Waterfront accounting for spend on this budget, the overall Waterfront Pathway project is longer-term than first anticipated due it being related to the development of Waterfront sites by different developers. Balloch Village Square project was completed this financial year, and the remainder of the Balloch Charrette budget will be used to fund the Station Square project which is being scoped and developed during 2019 and 2020. A special Council on 29 October sought and secured approval of an additional £2.609m for District Heating Network commercial costs from the existing Regeneration budget. This brings the District Heating budget up from Regeneration Fund to £3.509m (£0.9m previously approved).

Mitigating Action

Project complexity and the need to programme some works to avoid busy tourism periods and reliance on third parties means that mitigation is challenging.

Anticipated Outcome

Progress towards delivery of planned projects from Economic Development Strategy and Charrette Action Plans albeit later than originally anticipated.

TOTAL PROJECTS AT RED STATUS						
Project Life Financials	101,100	71,471	71%	102,339	1,240	1%
Current Year Financials	13,299	5,384	40%	9,681	(3,618)	-27%

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Budget Details	Project Life Financials					
	Budget	Spend to Date		Forecast Spend	Variance	
	£000	£000	%	£000	£000	%
1 Clydebank Community Sports Hub						
Project Life Financials	3,915	3,861	99%	3,955	40	1%
Current Year Financials	54	0	0%	94	40	74%
Project Description	Creation of a community and sport hub.					
Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		30-Nov-19

Main Issues / Reason for Variance

The forecast outturn is an overspend in the region of £0.040m. The reason for the forecast overspend relates to site de-watering costs incurred during the construction that were not originally captured within the scope of the project and contract sum. Officers continue to work with CBC to agree the Final Account and forecast spend in 2019/20 relates to the final retention release and pitch maintenance payments which are due to conclude by November 2019.

Mitigating Action

WDC is contractually obliged to pay the projected overspend. Officers continue to meet with the project QS and CBC regularly, with a view to agreeing the final account at the earliest opportunity.

Anticipated Outcome

New facility has been operational since October 2018 and final retention due to be released November 2019. Project reporting a forecasted overspend.

2 Flood Risk Management						
Project Life Financials	781	146	19%	781	0	0%
Current Year Financials	781	146	19%	500	(281)	-36%
Project Description	Enhancement of drainage infrastructure to ensure compliance with Flood Risk Management					
Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Mar-21

Main Issues / Reason for Variance

Contractor has been engaged to take on flood risk management. Flood modelling of River Leven and other projects are under way along with works to improve water courses Balloch and Dumbarton. These will continue throughout 2019/20, however at this time it is expected that only £0.500m of the current year budget will be spent in 2019/20, with £0.281m required to be rephased to 2020/21.

Mitigating Action

Ability to mitigate is limited due to time lost due to SEPA restrictions and delay to contractual arrangements.

Anticipated Outcome

Project completed within budget albeit later than anticipated.

3 River Leven Flood Prevention Scheme						
Project Life Financials	800	0	0%	800	0	0%
Current Year Financials	100	0	0%	220	120	120%
Project Description	River Leven Flood Prevention Scheme.					
Project Lifecycle	Planned End Date		31-Mar-23	Forecast End Date		31-Mar-23

Main Issues / Reason for Variance

Consultant engaged and currently working on options for River Leven Flood Prevention Scheme. Current year £0.220m anticipated to be spent this year.

Mitigating Action

None required at this time.

Anticipated Outcome

Project completed within budget.

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	Budget Details	Project Life Financials					
		Budget	Spend to Date		Forecast Spend	Variance	
		£000	£000	%	£000	£000	%
4	**Gruggies Burn Flood Prevention**						
	Project Life Financials	15,000	195	1%	15,000	0	0%
	Current Year Financials	4,305	0	0%	500	(3,805)	-88%
	Project Description	Commission of Gruggies Flood Prevention Scheme.					
	Project Lifecycle	Planned End Date		31-Mar-22	Forecast End Date		31-Mar-23
	Main Issues / Reason for Variance						
	Project design is ongoing as optioneering has produced alternative design solutions. Approval granted at August 2019 Tendering Committee and now awaiting sign off by Legal before the project can progress. Project expected to complete in 2022 with retentions due in 2023. At this time is anticipated that only £0.5m of the allocated budget for the current year will be spent with £3.805m required to be rephased to 2020/21.						
	Mitigating Action						
	Once consultants report has been delivered, further survey works will be procured. Revised report with updated methodology will give results to topographic survey and will determine next course of action.						
	Anticipated Outcome						
	Project delivered within budget although later than anticipated.						
5	**A811 Lomond Bridge**						
	Project Life Financials	3,900	52	1%	3,900	0	0%
	Current Year Financials	3,653	35	1%	1,853	(1,800)	-49%
	Project Description	Upgrade of Lomond Bridge.					
	Project Lifecycle	Planned End Date		31-Mar-21	Forecast End Date		30-Jun-19
	Main Issues / Reason for Variance						
	Project contractor was approved at August 2019 Tendering Committee and physical works were expected to commence October 2019 but this has since been revised to November 2019 due to time taken with planning consents. As a result the estimated completion has been revised to June 2020. £1.8m is therefore required to be rephased to 2020/21.						
	Mitigating Action						
	None Required at this time.						
	Anticipated Outcome						
	Upgrade of Lomond Bridge.						
6	**Oil to Gas Conversion**						
	Project Life Financials	187	14	8%	187	0	0%
	Current Year Financials	187	14	8%	50	(137)	-73%
	Project Description	Oil to Gas Conversion in council buildings.					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		30-Apr-20
	Main Issues / Reason for Variance						
	Carleith is progressing in 2019/20 and expected to be out to tender by end of October 2019 with a revised budget estimate £0.107m. Physical works will be carried out in April 2020 school recess with £0.050m spend anticipated in 2019/20. New design for Braehead is not complete. At this time it is anticipated that £0.137m will be rephased to 2020/21.						
	Mitigating Action						
	None available at this time due to time required to fully scope project works.						
	Anticipated Outcome						
	Project will be delivered later than anticipated.						

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	Budget Details	Project Life Financials					
		Budget	Spend to Date		Forecast Spend	Variance	
		£000	£000	%	£000	£000	%
7	**Solar Panel Installation**						
	Project Life Financials	135	0	0%	135	0	0%
	Current Year Financials	135	0	0%	20	(115)	-85%
	Project Description	Installation of Solar Panels on Council buildings.					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		30-Apr-20
	Main Issues / Reason for Variance						
	Original project no longer viable. St Peter the Apostle is now being considered for PV system instead and costs are being considered to take the project forward.						
	Mitigating Action						
	Should St Peter the Apostle not be feasible other projects will look to be brought forward but at this stage the indication is that this can be delivered on time and within budget.						
	Anticipated Outcome						
	Project will be delivered later than anticipated.						
8	**Regeneration/Local Economic Development**						
	Project Life Financials	2,642	304	12%	2,642	0	0%
	Current Year Financials	2,642	304	12%	2,460	(182)	-7%
	Project Description	Budget to facilitate the delivery of Regeneration throughout West Dunbartonshire , aligned to the Economic Strategy 2015-20. External funding will be sought to maximise opportunities for redevelopment of these sites.					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Mar-21
	Main Issues / Reason for Variance						
	The spend profile accounts for a range of Economic Development projects underway this financial year including the biodiversity park in St Eunan's, design development for the Dumbarton Waterfront Path, project management of Queens Quay development, design development for the Town Centre Fund projects, Alexandria Masterplan and North Clyde Riverbank (Bowling) infrastructure planning, final payments for the Balloch improvement projects and public realm improvements in Alexandria. The delay by the Mitchell Way, Alexandria, developer has meant that the funds allocated to the relocation of the gas pipe to prepare the currently-Council owned site for development will inevitably slip into next financial year.						
	Mitigating Action						
	Ongoing discussions with the Lidl developer to determine timescale for development.						
	Anticipated Outcome						
	Significant progress with transformational projects including Dumbarton Waterfront, strategic disposal sites, Alexandria town centre and further progress with implementing Charrette Action Plans.						

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	Budget Details	Project Life Financials					
		Budget	Spend to Date		Forecast Spend	Variance	
		£000	£000	%	£000	£000	%
9	**Exxon City Deal**						
	Project Life Financials	34,050	1,396	4%	34,050	0	0%
	Current Year Financials	1,096	79	7%	400	(696)	-63%
	Project Description	As part of the City Deal project the WDC Exxon site at Bowling regeneration with alternative A82 route included.					
	Project Lifecycle	Planned End Date	31-Mar-25		Forecast End Date	31-Mar-25	
	Main Issues / Reason for Variance						
	Regular updates are provided at every Council meeting, with City Deal papers presented at each meeting. The main issues contained within the new Council's approved Outline Business Case are still valid, which include Exxon's remediation strategy, land transfer arrangements and issues relating to adjoining owners. Until Exxon remediation strategy is approved and land transfer arrangements are resolved, only limited work can be undertaken (e.g. EIA) As the remediation strategy is being led by ESSO Mobil, at this time it is difficult to determine when it will be approved. ESSO Mobil is still in discussions with SEPA and WDC-Environmental Health to agree several items before it can be approved, however the timescales of this is outwith Council control. Prior to a commercial deal being concluded, approx. spend will be £400k this financial year.						
	Mitigating Action						
	Contained within Risk register monitored by Exxon Management Board. Technical reviews are being carried between our consultant PBA and Exxon consultants WSP to assess the proposed remediation strategy and to review historical data and reports. WDC Officers are engaged with EXXON representatives in order to assess any programme implications. EXXON is progressing with discussions with the planning department and SEPA as well as providing any technical information required.						
	Anticipated Outcome						
	Delivery of the project on time and within the increased budget.						
10	**Town Centre Fund**						
	Project Life Financials	859	0	0%	859	0	0%
	Current Year Financials	859	0	0%	30	(829)	-97%
	Project Description	Scottish Government funding to help improve local town centres.					
	Project Lifecycle	Planned End Date	31-Mar-20		Forecast End Date	31-Mar-21	
	Main Issues / Reason for Variance						
	Four projects were approved at August IRED committee, three Regeneration team-led, one Asset-led. All projects need to be legally committed before end this financial year however no significant actual spend is anticipated this financial year.						
	Mitigating Action						
	None required.						
	Anticipated Outcome						
	To provide improved town centres in West Dunbartonshire.						
	TOTAL PROJECTS AT AMBER STATUS						
	Project Life Financials	62,268	5,968	10%	62,308	40	0%
	Current Year Financials	13,811	578	4%	6,127	(7,684)	-56%

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	Budget Details	Project Life Financials					
		Budget	Spend to Date		Forecast Spend	Variance	
		£000	£000	%	£000	£000	%
1	**Electronic Insurance System - claim/incident management system**						
	Project Life Financials	50	43	86%	50	0	0%
	Current Year Financials	7	0	0%	7	0	0%
	Project Description	Acquisition of a claims/incident management system supported by an electronic document management system.					
	Project Lifecycle	Planned End Date	31-Mar-20		Forecast End Date	31-Mar-20	
	Main Issues / Reason for Variance						
	Delayed due to resources being redirected to higher prioritised work. This has affected the forecast end date and works therefore were required to be rescheduled from 2018/19.						
	Mitigating Action						
	None available at this time.						
	Anticipated Outcome						
	Upgraded Electronic Insurance System delivered on budget.						
2	**Making Tax Digital**						
	Project Life Financials	40	7	17%	40	0	0%
	Current Year Financials	40	7	17%	40	0	0%
	Project Description	Making Tax Digital.					
	Project Lifecycle	Planned End Date	31-Mar-20		Forecast End Date	31-Mar-20	
	Main Issues / Reason for Variance						
	No issues to report at this time with project completion anticipated by 31 March 2020.						
	Mitigating Action						
	None required.						
	Anticipated Outcome						
	Making Tax Digital.						
3	**Valuation Joint Board - Requisition of ICT Equipment**						
	Project Life Financials	3	0	0%	3	0	0%
	Current Year Financials	3	0	0%	3	0	0%
	Project Description	Requisition re ICT Equipment.					
	Project Lifecycle	Planned End Date	31-Mar-20		Forecast End Date	31-Mar-20	
	Main Issues / Reason for Variance						
	The purchase of laptops and PCs have been delayed into 2019/20 due to issues with the approved supplier. Full spend anticipated in 2019/20.						
	Mitigating Action						
	None available at this time.						
	Anticipated Outcome						
	Requisition re ICT Equipment.						
4	**Replacement GIS system and upgrade to eDevelopment Planning system.**						
	Project Life Financials	51	25	50%	51	0	0%
	Current Year Financials	51	25	50%	51	0	0%
	Project Description	Replacement GIS system and upgrade to eDevelopment Planning system.					
	Project Lifecycle	Planned End Date	31-Mar-20		Forecast End Date	31-Mar-20	
	Main Issues / Reason for Variance						
	Project progressing and expected to be delivered this financial year.						
	Mitigating Action						
	None Required.						
	Anticipated Outcome						
	GP/GIS in Planning.						

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	Budget Details	Project Life Financials					
		Budget	Spend to Date		Forecast Spend	Variance	
		£000	£000	%	£000	£000	%
5	**Legal Case Management System**						
	Project Life Financials	33	0	0%	33	0	0%
	Current Year Financials	33	0	0%	33	0	0%
	Project Description	Legal Case Management System.					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Mar-20
	Main Issues / Reason for Variance						
	Tenders have been returned and are currently being evaluated and full spend in 2019/20 is anticipated at this time.						
	Mitigating Action						
	None required at this time.						
	Anticipated Outcome						
	New legal case management system.						
6	**Air Quality Monitoring**						
	Project Life Financials	30	28	93%	28	(2)	-7%
	Current Year Financials	2	0	0%	0	(2)	-100%
	Project Description	Air Quality Monitoring.					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Mar-19
	Main Issues / Reason for Variance						
	Project complete.						
	Mitigating Action						
	None required at this time.						
	Anticipated Outcome						
	Upgrade to air quality monitoring.						
7	**ICT Modernisation**						
	Project Life Financials	1,101	409	37%	1,101	0	0%
	Current Year Financials	1,101	409	37%	1,101	0	0%
	Project Description	This budget is to facilitate ICT infrastructure and modernise working practices. This project will deliver a fit for purpose device estate across WDC as well as technology improvements for device and ICT Service management. This will include automating device management, license management and enhancing current processes through automation as well as the resources to deliver these projects.					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Mar-20
	Main Issues / Reason for Variance						
	This budget is expected to be fully spent in 2019/20.						
	Mitigating Action						
	The ability to mitigate is limited as retentions held until resilience test is successfully completed.						
	Anticipated Outcome						
	To update ICT systems within budget albeit later than first anticipated.						

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	Budget Details	Project Life Financials					
		Budget	Spend to Date		Forecast Spend	Variance	
		£000	£000	%	£000	£000	%
8	**ICT Security & DR**						
	Project Life Financials	427	161	38%	427	0	0%
	Current Year Financials	427	161	38%	427	0	0%
	Project Description	The project is for the enhancement of security systems, server replacement and the update of corporate applications to ensure compliance with 15/16 PSN requirements, to enhance the Disaster recovery capabilities of WDC, through a phased replacement for end of life servers and switches as well as technologies to support the management of security and security processes.					
	Project Lifecycle	Planned End Date	31-Mar-20		Forecast End Date	31-Mar-20	
	Main Issues / Reason for Variance						
	This budget is expected to be fully spent in 2019/20.						
	Mitigating Action						
	None Required.						
	Anticipated Outcome						
	To deliver enhanced security systems.						
9	**AV Equipment - Education**						
	Project Life Financials	150	0	0%	150	0	0%
	Current Year Financials	150	0	0%	150	0	0%
	Project Description	AV Equipment - Education					
	Project Lifecycle	Planned End Date	31-Mar-20		Forecast End Date	31-Mar-20	
	Main Issues / Reason for Variance						
	Plans for budget are progressing and is currently at procurement stage. Full spend is anticipated in 2019/20.						
	Mitigating Action						
	None required.						
	Anticipated Outcome						
	Purchase of AV Equipment for Education.						
10	**Multi-Channel Queries -Webchat Technology**						
	Project Life Financials	33	16	48%	16	(17)	-52%
	Current Year Financials	0	(17)	0%	(17)	(17)	0%
	Project Description	Introduction of Automated Switchboard Technology.					
	Project Lifecycle	Planned End Date	31-Mar-19		Forecast End Date	31-Mar-20	
	Main Issues / Reason for Variance						
	The Interactive Voice Response (IVR) element of the project had significant technical problems matching postcodes for addresses to our systems to allow identifying of the property. As a result it has been agreed with Firmstep and WDC for a full refund on the IVR element of the project. No alternatives available at this time so the project will report a project life underspend of £0.017m.						
	Mitigating Action						
	No further action required.						
	Anticipated Outcome						
	Upgraded System provided within budget albeit later than originally anticipated.						

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		Budget	Spend to Date		Forecast Spend	Variance	
		£000	£000	%	£000	£000	%
11	**Civic Heart Works - Refurbishment of Clydebank Town Hall**						
	Project Life Financials	3,341	3,317	99%	3,341	0	0%
	Current Year Financials	24	0	0%	24	0	0%
	Project Description	Refurbishment of Clydebank Town Hall.					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Mar-20
	Main Issues / Reason for Variance						
	Council approved a £4m investment in Cultural assets in March 2018 with one of the priorities being Clydebank Town Hall. The remaining budget will be used to fund kitchen upgrade to allow full utilisation of the asset for income delivery. Asset Management working with service to deliver this financial year 2019/20. Meeting to agree specification November 2019.						
	Mitigating Action						
	None required at this time.						
	Anticipated Outcome						
	Project to be delivered on budget and within revised timescale.						
12	**Heritage Capital Fund**						
	Project Life Financials	4,000	14	0%	4,000	0	0%
	Current Year Financials	597	14	0%	597	0	0%
	Project Description	Heritage Capital Fund.					
	Project Lifecycle	Planned End Date		31-Mar-22	Forecast End Date		31-Mar-22
	Main Issues / Reason for Variance						
	Council approved a £4m investment in Cultural assets in March 2018. In February 2019 the Cultural Committee approved a £0.330m investment in Alexandria Library, a £0.015m investment in consultancy work to scope out a museum at Clydebank Library, and in April 2019 approved £0.252m to upgrade Clydebank Town Hall roof. A further proposal for the redevelopment of Clydebank Town Hall will go to Committee during 2019/20. These approvals have accelerated budget spend ahead of the originally planned phasing for 2019/20, however there will be no overspend on the project life budget.						
	Mitigating Action						
	None required.						
	Anticipated Outcome						
	Project to be delivered on budget and within revised timescale.						
13	**Upgrade of Clydebank Library**						
	Project Life Financials	500	500	100%	500	0	0%
	Current Year Financials	13	13	100%	13	0	0%
	Project Description	Refurbishment of the existing Clydebank Library to deliver a fit for purpose modern library designed around the needs of the customer. This will protect a historic landmark and the original Carnegie library whilst offering the potential to build upon the development of a 'cultural quarter' focused around Clydebank Town Hall.					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Mar-20
	Main Issues / Reason for Variance						
	Retentions of £0.013m rephased to 2019/20.						
	Mitigating Action						
	None required at this time.						
	Anticipated Outcome						
	Full refurbishment of library delivered within budget and within amended timescales.						

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		Budget	Spend to Date		Forecast Spend	Variance	
		£000	£000	%	£000	£000	%
14	**Transformation of Infrastructure Libraries and Museums**						
	Project Life Financials	421	18	4%	421	0	0%
	Current Year Financials	416	13	3%	416	0	0%
	Project Description	To improve performance and efficiency of Council's Libraries and Cultural Services.					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Mar-20
	Main Issues / Reason for Variance						
	The capital project to transform the infrastructure of Libraries and Museums has slipped from 2018/19 due to unplanned absences in the senior management team, and competing priorities within other Council teams supporting this project. Purchase Orders have now been raised via WeBuy regarding the installation of self-service issue equipment across the Library network. Implementation of this element is progressing with spend anticipated by end November 2019. Regarding the larger spend of replacement shelving and staff desks, the new Library Team Leader has identified a procurement framework that will allow the lots to be sourced as quickly as possible. Details are currently in progress to outline specifications for large and small libraries. This will then go to tender and be ready for installation in January 2020. For Alexandria and Clydebank Libraries, work will be undertaken in tandem with the major improvements being progressed during 2019/20.						
	Mitigating Action						
	None available at this time.						
	Anticipated Outcome						
	Project will be delivered although will be later than originally planned.						
15	**Telephone System Upgrade**						
	Project Life Financials	15	0	0%	15	0	0%
	Current Year Financials	15	0	0%	15	0	0%
	Project Description	To improve Housing Repairs telephone platform for incoming calls, providing improved Management Information.					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Mar-20
	Main Issues / Reason for Variance						
	This project has been delayed whilst ICT resolve a Network issue. Once this work is complete then the telephony project can proceed.						
	Mitigating Action						
	None required at this time.						
	Anticipated Outcome						
	To upgrade telephone system.						
16	**Trading Standards Scam Prevention**						
	Project Life Financials	10	7	65%	10	0	0%
	Current Year Financials	4	0	5%	4	0	0%
	Project Description	Call blocking devices to be fitted to the phones of WDC's most vulnerable residents which will block unknown numbers from connecting and limiting incoming calls to only known and trusted numbers, for vulnerable consumers who may be susceptible to hard selling techniques, scams and other frauds.					
	Project Lifecycle	Planned End Date		31-Mar-19	Forecast End Date		31-Mar-20
	Main Issues / Reason for Variance						
	The project is continuing with a steady stream of installations being carried out for vulnerable residents as referrals are received from carers and the various care partners who have been made aware of this Trading Standards initiative. Full budget spend is anticipated in 2019/20.						
	Mitigating Action						
	None required at this time.						
	Anticipated Outcome						
	To protect WDC's most vulnerable residents from phone calls from which they may fall victim of hard selling techniques, scams and other frauds.						

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		Budget	Spend to Date		Forecast Spend	Variance	
		£000	£000	%	£000	£000	%
17	**Supporting the mobilisation of environmental health and trading standards officers**						
	Project Life Financials	25	24	95%	25	0	0%
	Current Year Financials	1	0	0%	1	0	0%
	Project Description	New IT equipment to enable environmental health and trading standards officers to work more efficiently.					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Mar-20
	Main Issues / Reason for Variance						
	Remainder of budget rephased from 2018/19 for final minor expenditure in 2019/20 relating to security testing.						
	Mitigating Action						
	None required at this time.						
	Anticipated Outcome						
	To enable environmental health and trading standards officers to work more efficiently.						
18	**Choices Programme - to assist young people who require additional support**						
	Project Life Financials	750	739	99%	750	0	0%
	Current Year Financials	185	174	94%	185	0	0%
	Project Description	Bringing together Central Support Services which will include relocation of Choices Programme.					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Aug-19
	Main Issues / Reason for Variance						
	Work was completed in August 2019 and school opened to pupils. Project now awaiting final recharges from Building Services.						
	Mitigating Action						
	None required.						
	Anticipated Outcome						
	Project delivered.						
19	**Aitkenbar PS, St Peters PS, Andrew Cameron EE&CC**						
	Project Life Financials	10,426	10,318	99%	10,426	0	0%
	Current Year Financials	108	0	0%	108	0	0%
	Project Description	Design and construction of new co-located school to replace 3 separate establishments.					
	Project Lifecycle	Planned End Date		31-Mar-20	Actual End Date		31-Mar-20
	Main Issues / Reason for Variance						
	Final retention payment to contractor was expected to be released late 2018/19, with a projected underspend of £0.210m, however this was subject to the satisfactory completion of two remaining defects, both relating to drainage. The contractor completed remedial works during the school summer holiday and once the defects are verified as closed, Officers will release the Making Good Defects certificate and in turn the remaining 1.5% retention will be released. The project is still forecasting an underspend of £0.210m, which was recognised in 2018/19.						
	Mitigating Action						
	None required.						
	Anticipated Outcome						
	Delivery of project on programme and under budget. Underspend was removed from budget in 2019/20.						

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		Budget	Spend to Date		Forecast Spend	Variance	
		£000	£000	%	£000	£000	%
20	**Schools Estate Improvement Plan**						
	Project Life Financials	20,000	1,174	6%	20,000	0	0%
	Current Year Financials	1,442	966	67%	1,442	0	0%
	Project Description	New Build Renton Campus and St Mary's & St Martin's refurbishment works.					
	Project Lifecycle	Planned End Date		31-Mar-24	Forecast End Date		31-Mar-24
	Main Issues / Reason for Variance						
	At the Educational Services Committee on 06 June 2018, members approved appraisal which includes St Marys' refurbishment and the new build Renton PS. The new build of Renton PS includes the new language & communication unit, and Riverside ELCC new build. With regards to Renton Campus phase 1 (new building) is due to be complete and in operation by August 2021 with phase 2 (MUGA pitch, demolition of existing Renton PS) due to be complete April 2022. Project life forecast to end with release of the final retention April 2023. Officers continue to progress through the professional services contract, which is due to complete in December 2019 with a site forecast contractor possession date in late January 2020. With regards to St Marys, works commenced October 2018 with completion of the internal upgrade anticipated to complete March 2020. Dinning hall extension and MUGA are being progressed and anticipated delivery will be during financial year 2020/21 for both of these projects. Due to the nature of some of the works, they cannot take place while the school is in operation so required to be carried out during the school						
	Mitigating Action						
	Project monitored regularly with site meetings and reported to Schools Estate Project Board.						
	Anticipated Outcome						
	Funds anticipated to be utilised by 2023 subject to consultation.						
21	**Schools Estate Refurbishment Plan**						
	Project Life Financials	5,508	5,478	99%	5,508	0	0%
	Current Year Financials	22	(7)	-33%	24	1	6%
	Project Description	Completion of condition surveys has been carried out to identify works required to bring various schools from Condition C to Condition B.					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Mar-20
	Main Issues / Reason for Variance						
	All works complete at October 2019 and now awaiting final recharges.						
	Mitigating Action						
	None required as project now complete.						
	Anticipated Outcome						
	To improve the condition of schools within budget albeit later than first anticipated.						

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		Budget	Spend to Date		Forecast Spend	Variance	
		£000	£000	%	£000	£000	%
22	**Early Years Early Learning and Childcare Funding**						
	Project Life Financials	8,562	2,340	27%	8,562	0	0%
	Current Year Financials	2,977	254	9%	2,977	0	0%
	Project Description	Early learning and childcare funding awarded to West Dunbartonshire Council to facilitate the expansion in entitlement to funded ELCC to 1140 hours from August 2020.					
	Project Lifecycle	Planned End Date		31-Mar-22	Forecast End Date		31-Mar-22
	Main Issues / Reason for Variance						
	This budget relates to early learning and childcare funding awarded to West Dunbartonshire Council to facilitate the expansion in entitlement to funded ELCC to 1140 hours from August 2020. Works were delayed in 2018/19 following care inspectorate engagement and time taken to analyse need within West Dunbartonshire Council, resulting in rephasing of £2.977m to 2019/20. Implementation plan has been approved and works are now progressing. Andrew B Cameron is now complete, Meadowview / Braehead - Phase 1 is ongoing and expected to be complete mid November 2019. Levenvale is now complete. Dalmonach works on-site however contractor has experienced delays on site and requested an extension of time which will delay completion to November. Whitecrook commenced August and works are progressing on site and due to complete end November. St Ronan's is newly added to the delivery plan and works also commenced August and are due to complete mid November. Various works commenced on Legacy ELCC and are ongoing throughout the financial year. Works to upgrade kitchens to deal with capacity for 1140 implementation ongoing and will continue throughout the financial year.						
	Mitigating Action						
	None available at this time.						
	Anticipated Outcome						
	The project will be completed to deliver the requirements of the Early Years expansion plans.						
23	**New Levenvale Primary School All Weather Pitch**						
	Project Life Financials	263	254	96%	263	0	0%
	Current Year Financials	0	4	0%	13	13	0%
	Project Description	New Levenvale Primary School All Weather Pitch.					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		28-Feb-19
	Main Issues / Reason for Variance						
	Works complete with retentions of £0.013m due in 2019/20.						
	Mitigating Action						
	None required.						
	Anticipated Outcome						
	Project delivered on budget but later than originally planned.						
24	**St. Patrick's PS New Play Upgrades**						
	Project Life Financials	200	209	105%	200	0	0%
	Current Year Financials	94	104	110%	103	8	9%
	Project Description	New MUGA for St. Patricks Primary School and playground improvements.					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		30-Jun-19
	Main Issues / Reason for Variance						
	Works complete with retentions due 2020/21.						
	Mitigating Action						
	None required.						
	Anticipated Outcome						
	Project delivered.						

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		Budget	Spend to Date		Forecast Spend	Variance	
		£000	£000	%	£000	£000	%
25	**Vehicle Replacement**						
	Project Life Financials	4,571	88	2%	4,571	0	0%
	Current Year Financials	4,605	122	3%	4,605	0	0%
	Project Description	Replacement of vehicles which have reached end of programmed lifespan (7 year heavy vehicles, 10 year light vehicles).					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Mar-20

Main Issues / Reason for Variance

The Heavy Goods Vehicles (HGV's) and Refuse Collection Vehicles (RCV's) have been received and are now operational. The Tendering Committee approved the Contract Authorisation Report for the Provision of Passenger Buses at its September 2019 meeting and purchase orders have been placed with the successful tenderers. A Contract Authorisation Report for the procurement of Light Commercial Vehicles and Cars will be submitted to the January 2020 Tendering Committee meeting. The Stop Safe safety enhancement installation programme for the Council's waste collection vehicle fleet is complete. The commissioning and staff training phase is also complete and payment to the supplier is currently being processed.

Mitigating Action
None available at this time due to build lead in times for HGV and buses.
Anticipated Outcome
Replacement of fleet later than anticipated.

26	**Allotment Development**						
	Project Life Financials	400	0	0%	400	0	0%
	Current Year Financials	400	0	0%	100	(300)	-75%
	Project Description	To develop an allotment site.					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		30-Mar-20

Main Issues / Reason for Variance
Initial meetings of the project team have successfully taken place and services are currently being procured to undertake detailed soil investigations and topographic surveys in preparation for tender development in line with SEPA requirements. This is taking longer than expected so at this time it is unlikely this project will be completed this year as anticipated. Forecast spend for the year has been reduced to £0.100m with £0.300m required to be rephased to 2020/21.

Mitigating Action
None available at this time.
Anticipated Outcome
Development of allotments to take pressure off current 10 year waiting list.

27	**Community Capital Fund**						
	Project Life Financials	3,610	3,590	99%	3,610	0	0%
	Current Year Financials	568	547	96%	568	0	0%
	Project Description	Upgrade and improve recreational facilities throughout West Dunbartonshire.					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Mar-20

Main Issues / Reason for Variance
There was slippage from 2018/19 and this relates to works at Inler Park, Balloch Park Slipway, Castlehill MUGA, and Dillichip Park. The planned end date has been amended to reflect this. With regards to Inler Park, this project was completed in August 2019. Castlehill upgrade to MUGA is now complete as is Dillichip Park. Tender documentation is currently being developed for four play areas at Moss O'Balloch, Balloch Park slipway, Central Alexandria and Levengrove Park which are all expected to complete before 31 March 2020.

Mitigating Action
None required at this time.

Anticipated Outcome
Improved recreational facilities throughout WDC.

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		Budget	Spend to Date		Forecast Spend	Variance	
		£000	£000	%	£000	£000	%
28	**Community Sports Fund**						
	Project Life Financials	472	406	86%	472	0	0%
	Current Year Financials	92	26	28%	92	0	0%
	Project Description	Match funding of up to 75% for local sports clubs to develop business cases to improve facilities.					
	Project Lifecycle	Planned End Date	31-Mar-20		Forecast End Date	31-Mar-20	
	Main Issues / Reason for Variance						
	2017/18 was the final year of a project to fund external/community sports groups which is now closed to new applications. Officers have evaluated submissions received within the final round of applications. Full spend has been committed, however the timing of spend is dependent on external groups proceeding with projects as planned.						
	Mitigating Action						
	Officers will continue to liaise with community groups to ensure progress is made with projects.						
	Anticipated Outcome						
	Improve sport facilities to a wide range of organisations WDC.						
29	**Holm Park & Yoker Athletic FC**						
	Project Life Financials	750	698	93%	750	0	0%
	Current Year Financials	314	262	83%	314	0	0%
	Project Description	Develop a new 3G pitch to act as a home venue for Clydebank FC with extensive community access.					
	Project Lifecycle	Planned End Date	31-Mar-20		Forecast End Date	31-Oct-19	
	Main Issues / Reason for Variance						
	Works commenced on site December 2018 and project complete at October 2019 and awaiting final recharges.						
	Mitigating Action						
	None required.						
	Anticipated Outcome						
	Project delivered on budget but later than expected.						
30	**Environmental Improvement Fund**						
	Project Life Financials	1,690	1,577	93%	1,690	0	0%
	Current Year Financials	614	501	82%	590	(24)	-4%
	Project Description	This fund has been created to deliver environmental improvement projects for communities throughout West Dunbartonshire.					
	Project Lifecycle	Planned End Date	31-Mar-20		Forecast End Date	31-Mar-20	
	Main Issues / Reason for Variance						
	Delayed works at Mountblow are now complete with retentions of £0.024m required to be rephased to 2020/21. The planned end date has been updated to reflect this. Officers continue to engage with community groups to take forward the remainder of the projects under the Environmental Improvement Fund budget.						
	Mitigating Action						
	None available at this time.						
	Anticipated Outcome						
	Mountblow 3G pitch completed within available budget albeit later than anticipated.						

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		Budget	Spend to Date		Forecast Spend	Variance	
		£000	£000	%	£000	£000	%
31	**New Clydebank Leisure Centre**						
	Project Life Financials	23,758	23,755	100%	23,758	0	0%
	Current Year Financials	3	0	5%	3	0	0%
	Project Description	Provision of new leisure centre.					
	Project Lifecycle	Planned End Date		31-Mar-20	Actual End Date		31-Mar-17
	Main Issues / Reason for Variance						
	No issues to report, final minor expenditure to be incurred in 2019/20.						
	Mitigating Action						
	None required at this time.						
	Anticipated Outcome						
	Project delivered on time and under budget. Underspend removed from budget in 2018/19.						
32	**Dalmonach CE Centre**						
	Project Life Financials	1,150	1,066	93%	1,150	0	0%
	Current Year Financials	806	797	99%	806	0	0%
	Project Description	To create new community facilities with additional space for early years provisions.					
	Project Lifecycle	Planned End Date		31-Mar-21	Forecast End Date		31-Dec-19
	Main Issues / Reason for Variance						
	Dalmonach works on-site however contractor has experienced delays on site and requested an extension of time which will delay completion to December 2019.						
	Mitigating Action						
	None required at this time.						
	Anticipated Outcome						
	To create new community facilities with additional space for early years provisions.						
33	**Levengrove Park - Restoration & Regeneration**						
	Project Life Financials	3,639	3,577	98%	3,639	0	0%
	Current Year Financials	209	147	70%	209	0	0%
	Project Description	Restoration and Regeneration of Levengrove Park.					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Jul-19
	Main Issues / Reason for Variance						
	Early delays due to timescales involved in securing external funding which impacted the procurement timescales. The planned end date was updated to reflect this. The project started August 2017 and Pavilion is now complete and handed over. Minor works at the depot are now also complete.						
	Mitigating Action						
	None required.						
	Anticipated Outcome						
	Project delivered later than originally anticipated.						

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		Budget	Spend to Date		Forecast Spend	Variance	
		£000	£000	%	£000	£000	%
34	**Public non-adopted paths and roads**						
	Project Life Financials	629	312	50%	629	0	0%
	Current Year Financials	548	231	42%	548	0	0%
	Project Description	Upgrades to drainage and lighting to enhance the lifespan of paths and roads within facilities in public parks, cemeteries and civic spaces.					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Mar-20
	Main Issues / Reason for Variance						
	Numerous projects have been identified that will be carried out using a combination of in-house resource and the Minor Civils Framework. Works anticipated to start Autumn 2019 include projects at Milton Park, Chappleton Gardens and North Dalnottar Cemetery. Full spend is expected in 2019/20.						
	Mitigating Action						
	Works to be complete as soon as possible.						
	Anticipated Outcome						
	Upgraded footpaths.						
35	**Sports Facilities Upgrades**						
	Project Life Financials	167	10	6%	167	0	0%
	Current Year Financials	165	8	5%	165	0	0%
	Project Description	Project is part of wider investment in sporting facilities and is dependent on match funding from Sports Scotland. Agreement in principle to wider WDC strategic priorities.					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Mar-20
	Main Issues / Reason for Variance						
	The budget has been allocated for construction of 3 All weather tennis courts at Argyll Park. This project is estimated to cost £0.165m and it was hopeful that with application to The Lawn Tennis Association, match funding would be received. However, following discussions with The Lawn Tennis Association in April 2018 they have only offered 25% funding. Match funding of 25% has been provided by Sports Scotland. The project has been tendered. However tenders have come in over budget so a value engineering exercise is currently underway.						
	Mitigating Action						
	None available at this time.						
	Anticipated Outcome						
	To deliver project within budget albeit later than first anticipated.						
36	**Vale of Leven Cemetery Extension**						
	Project Life Financials	650	165	25%	650	0	0%
	Current Year Financials	485	0	0%	485	0	0%
	Project Description	Extension of existing cemetery in Vale of Leven.					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Jul-20
	Main Issues / Reason for Variance						
	Difficulties in purchasing the preferred site resulted in early delays to this project. Site investigation works on the preferred site are now complete and the land was deemed suitable in October 2018. Negotiations are now complete and approval granted at February IRED committee to purchase land. Legal are now in the process of working through a legal issue that has surfaced to conclude the purchase. Once purchase is complete the project will go to tender.						
	Mitigating Action						
	Opportunities to mitigate are limited due to ongoing discussions with regards to purchase of land.						
	Anticipated Outcome						
	A suitable site has been identified and is in the process of being purchased to provide a sustainable burial environment, the project will be delivered on budget albeit later than originally planned.						

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	Budget Details	Project Life Financials					
		Budget	Spend to Date		Forecast Spend	Variance	
		£000	£000	%	£000	£000	%
37	**New Sports Changing Facility Dumbarton West (Old OLSP site)**						
	Project Life Financials	350	3	1%	350	0	0%
	Current Year Financials	333	3	0%	316	(17)	0%
	Project Description	New Sports Changing Facility Dumbarton West (Old OLSP site).					
	Project Lifecycle	Planned End Date		31-Mar-21	Forecast End Date		31-Mar-21
	Main Issues / Reason for Variance						
	Demolition and site investigation works are complete. Planning permission has been submitted and start date of construction works to be confirmed. Retentions £0.017m required to be rephased into 2020/21.						
	Mitigating Action						
	Continue to liaise with Planning to take the project forward and prevent further delay.						
	Anticipated Outcome						
	To deliver new sports changing facility.						
38	**New Sports Changing Facility at Duntocher**						
	Project Life Financials	300	3	1%	300	0	0%
	Current Year Financials	300	3	0%	285	(15)	-5%
	Project Description	New Sports Changing Facility at Duntocher.					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Mar-20
	Main Issues / Reason for Variance						
	Work is anticipated to start December 2019 pending planning permission being granted. Retentions are required to be rephased to 2020/21.						
	Mitigating Action						
	Continue to liaise with Planning to take the project forward and prevent further delay.						
	Anticipated Outcome						
	To deliver new sports changing facility.						
39	**Online Payment System for Education Establishments**						
	Project Life Financials	52	0	0%	52	0	0%
	Current Year Financials	52	0	0%	52	0	0%
	Project Description	Cashless Catering within Primary Schools.					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Mar-20
	Main Issues / Reason for Variance						
	The Funding was allocated to roll out cashless catering in a number of primary schools which is being co-ordinated and led by Educational Services and the contract for the provision of online school payments was approved at the Tendering Committee on 15 November 2017. Due to the timescales for contract initiation it is wasn't possible to make progress in 2017/18 resulting in the budget being rephased into 2018/19. Education have progressed with the pilot of their Parentpay system, however appears to be some issues in relation to integrating the Parentpay system with the existing cashless modules provided by supplier CRB. Until such time as this has been resolved there will be no further spend on rollout of the CRB system. As a result the budget has been rephased from 2018/19.						
	Mitigating Action						
	None available at this time.						
	Anticipated Outcome						
	To provide payment system for schools within budget albeit later than first anticipated.						

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		Budget	Spend to Date		Forecast Spend	Variance	
		£000	£000	%	£000	£000	%
40	**Free School Meals**						
	Project Life Financials	199	73	36%	199	0	0%
	Current Year Financials	131	4	3%	131	0	0%
	Project Description	Provision of Capital Funding from Scottish Government to implement free school meal					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Mar-20
	Main Issues / Reason for Variance						
	Officers awaiting programme of works and expected start date, with works anticipated to complete in 2019/20.						
	Mitigating Action						
	Opportunities to mitigate are limited due to need for work to be carried out around school holidays and building services resources therefore engagement with subcontractor has now taken place to minimise further delay.						
	Anticipated Outcome						
	Project completed within budget albeit later than anticipated.						
41	**Auld Street Clydebank - Bond**						
	Project Life Financials	400	212	53%	400	0	0%
	Current Year Financials	188	0	0%	188	0	0%
	Project Description	Completion of roadworks associated with Auld Street housing development.					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Mar-20
	Main Issues / Reason for Variance						
	The timing of further works have been dependent on the progress of the builder on site, as the Council cannot proceed until the builder substantially completes his works. Officers are currently awaiting confirmation of completion, after which the Council works can proceed. It is anticipated at this time works will commence autumn 2019 and complete in 2019/20.						
	Mitigating Action						
	None available due to dependency on 3rd party contractor.						
	Anticipated Outcome						
	Works complete within budget albeit later than anticipated.						
42	**Cycling, Walking and Safer Streets**						
	Project Life Financials	147	0	0%	147	0	0%
	Current Year Financials	147	0	0%	147	0	0%
	Project Description	Introduction of enhanced walking routes and traffic calming schemes to introduce safer streets within West Dunbartonshire.					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Mar-20
	Main Issues / Reason for Variance						
	Works progressing with crossing facility at Balloch and cycle path works in Dumbarton. At this time it is anticipated the budget will						
	Mitigating Action						
	Aiming to complete works as soon as possible.						
	Anticipated Outcome						
	Works complete within budget albeit later than anticipated.						

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		Budget	Spend to Date		Forecast Spend	Variance	
		£000	£000	%	£000	£000	%
43	**Footways/Cycle Path Upgrades**						
	Project Life Financials	90	5	6%	90	0	0%
	Current Year Financials	90	5	6%	90	0	0%
	Project Description	Renewal and/or enhancement of failed footpaths/cycle paths through West Dunbartonshire.					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Mar-20
	Main Issues / Reason for Variance						
	Proposed works at Park Street were postponed due to Network Rail road closure. Works now planned for 2019/20 include part of the A82 footway and the resurface of Glasgow Road from St James Retail Park to Greenhead Road. This work will be programmed in this financial year.						
	Mitigating Action						
	None required at this time.						
	Anticipated Outcome						
	Project completed within budget.						
44	**Infrastructure - Flooding**						
	Project Life Financials	161	0	0%	161	0	0%
	Current Year Financials	161	0	0%	161	0	0%
	Project Description	Essential renewal of failed drainage assets to minimise flood risk within West Dunbartonshire.					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Mar-20
	Main Issues / Reason for Variance						
	Livingstone Street flooding works due to be carried out prior to scheduled resurfacing, which is dependent on the permission being granted by new filling station. Several other schemes have been identified to utilise budget, including Drymen Road Balloch drainage works, and A810 drainage works at Fairways. Works packages to be issued through civil framework and quick quote as						
	Mitigating Action						
	None required at this time.						
	Anticipated Outcome						
	Project completed within budget.						
45	**Infrastructure - Roads**						
	Project Life Financials	5,478	2,470	45%	5,478	0	0%
	Current Year Financials	5,478	2,470	45%	5,478	0	0%
	Project Description	Infrastructure - Roads.					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Mar-20
	Main Issues / Reason for Variance						
	There is a full programme of resurfacing works for 2019/20 which will utilise this budget, with works progressing to plan.						
	Mitigating Action						
	None required at this time.						
	Anticipated Outcome						
	Project completed on time and within budget.						
46	**A813 Road Improvement Phase 2**						
	Project Life Financials	2,325	0	0%	2,325	0	0%
	Current Year Financials	0	0	0%	0	0	0%
	Project Description	A813 Road Improvement Phase 2.					
	Project Lifecycle	Planned End Date		31-Mar-26	Forecast End Date		31-Mar-26
	Main Issues / Reason for Variance						
	No issues to report.						
	Mitigating Action						
	None required at this time.						
	Anticipated Outcome						
	To provide an improved A813.						

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		Budget	Spend to Date		Forecast Spend	Variance	
		£000	£000	%	£000	£000	%
47	**A811 Infrastructure Works**						
	Project Life Financials	1,500	1,393	93%	1,500	0	0%
	Current Year Financials	274	167	61%	274	0	0%
	Project Description	A811 Infrastructure Works.					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Mar-20
	Main Issues / Reason for Variance						
	Road reconstruction requirements spanning Drymen Road, Balloch to Kilmaronock Church have been identified with infrastructure improvement with new drainage. Project was underway in 2018 and resurfacing works have now been completed. Signage review also now completed and remainder of the works will be carried out in winter 2019/20.						
	Mitigating Action						
	None required at this time.						
	Anticipated Outcome						
	Project will be delivered on time and within budget with slippage related to retention payments only.						
48	**Protective overcoating to 4 over bridges River Leven**						
	Project Life Financials	1,080	0	0%	1,080	0	0%
	Current Year Financials	270	0	0%	270	0	0%
	Project Description	To overcoat 4 bridges over River Leven.					
	Project Lifecycle	Planned End Date		31-Mar-25	Forecast End Date		31-Mar-25
	Main Issues / Reason for Variance						
	Remedial work required to Bonhill Bridge, Dumbarton Bridge, Artizan Bridge and Footbridge from Renton to Vale of Leven Industrial Estate. Works have been delayed due to a longer than expected procurement process with preparation of tender documentation taking longer than anticipated and the time taken to prepare the work packages required for the structures. Physical works anticipated to commence late 2019/20, with retentions due 2020/21.						
	Mitigating Action						
	None available at this time.						
	Anticipated Outcome						
	Project to be delivered in line with capital plan refresh and within budget.						
49	**Strathclyde Partnership for Transport - Bus, cycling and walking infrastructure improvements & Park and Rides**						
	Project Life Financials	550	48	0%	550	0	0%
	Current Year Financials	550	48	0%	550	0	0%
	Project Description	Strathclyde Partnership for Transport - Bus, cycling and walking infrastructure improvements.					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Mar-20
	Main Issues / Reason for Variance						
	With regards to A814 congestion reduction measures, works planned for 2019/20 include congestion measures on the A814 which are now physically complete. With regards to Bus infrastructure improvements, high borders at bus stops works progressing throughout WDC and are due to complete by year end March district wide. Plans for works for Dalreoch and Balloch park and rides ongoing.						
	Mitigating Action						
	None Required at this time as request being made to carry forward funds to 2019/20.						
	Anticipated Outcome						
	To deliver improved specified, bus, cycling and walking routes within West Dunbartonshire.						

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		Budget	Spend to Date		Forecast Spend	Variance	
		£000	£000	%	£000	£000	%
50	**Strathleven Park and Ride Car Park**						
	Project Life Financials	285	290	102%	302	17	6%
	Current Year Financials	35	40	113%	52	17	48%
	Project Description	Provision of additional car parking off Strathleven Place adjoining Church car Park. To be utilised as park and ride and overflow for town centre parking.					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		30-Apr-19
	Main Issues / Reason for Variance						
	Project now complete with retentions due 2019/20.						
	Mitigating Action						
	None Required at this time.						
	Anticipated Outcome						
	Project completed albeit later than anticipated.						
51	**Street lighting and associated electrical infrastructure**						
	Project Life Financials	209	82	39%	209	0	0%
	Current Year Financials	187	60	32%	187	0	0%
	Project Description	Street lighting and associated electrical infrastructure.					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Mar-20
	Main Issues / Reason for Variance						
	Work is being carried out in house and will be supplemented via external contractors through quick quote in 2019/20.						
	Mitigating Action						
	None available.						
	Anticipated Outcome						
	Project completed on time and within budget.						
52	**Turnberry Homes - traffic calming/ management at Turnberry housing development off Castle Road**						
	Project Life Financials	60	53	88%	60	0	0%
	Current Year Financials	7	0	0%	7	0	0%
	Project Description	Funding has been received from Turnberry Homes and will be used to introduce traffic					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Mar-20
	Main Issues / Reason for Variance						
	Plans have been re-phased to carry out works in conjunction with Park St to Dumbarton East Train Station, which have now been rescheduled to 2019/20 due to prioritisation of resources.						
	Mitigating Action						
	Officers will continue to work with Procurement regarding contractual issues.						
	Anticipated Outcome						
	Project to be finalised in conjunction with Dumbarton East - Park St to Dumbarton East Train Station pathway.						
53	**Electrical Charging Points - Rapid Charge**						
	Project Life Financials	170	0	0%	170	0	0%
	Current Year Financials	170	0	0%	170	0	0%
	Project Description	Funding has been awarded from Transport Scotland for the Installation of electrical charging points					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Mar-20
	Main Issues / Reason for Variance						
	Funding of £0.170m has been awarded from Transport Scotland for the installation of Rapid Charge electrical car charging points. Locations have been confirmed for Kilbowie Road Clydebank Park & Ride and Woodyard Road in Dumbarton, with consideration to an electrical charging point at Vale of Leven Park & Ride. The intention is also to install a charging point at a Richmond Street Depot. Procurement options are being explored in conjunction with shared service partners and full spend anticipated in 2019/20.						
	Mitigating Action						
	None required at this time.						
	Anticipated Outcome						
	Installation of rapid charge electrical car charging points.						

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		Budget	Spend to Date		Forecast Spend	Variance	
		£000	£000	%	£000	£000	%
54	**New Play & Recreation at Radnor Park, including MUGA**						
	Project Life Financials	260	272	105%	260	0	0%
	Current Year Financials	162	174	107%	162	0	0%
	Project Description	New Play & Recreation at Radnor Park, including MUGA.					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Dec-19
	Main Issues / Reason for Variance						
	Phase 1 (play area) of works is now complete. Phase 2 (MUGA) has now commenced and anticipated to complete 31 December 2019, with retentions due December 2020.						
	Mitigating Action						
	None required at this time.						
	Anticipated Outcome						
	Provision of new Play & Recreation at Radnor Park, including MUGA delivered within budget.						
55	**New Sports Changing Facility at Lusset Glen in Old Kilpatrick**						
	Project Life Financials	150	0	0%	150	0	0%
	Current Year Financials	150	0	0%	143	(8)	-5%
	Project Description	New Sports Changing Facility at Lusset Glen in Old Kilpatrick					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Mar-20
	Main Issues / Reason for Variance						
	Project was delayed due to works being carried out at the site by Scottish Gas Networks. Planning permission has been submitted and start date of construction works to be confirmed. Works are however anticipated to complete in 2019/20 with retentions of £0.008m required to be rephased to 2020/21.						
	Mitigating Action						
	Continue to liaise with Planning to take the project forward and prevent further delay.						
	Anticipated Outcome						
	To deliver new sports changing facility.						
56	**Mandatory 20mph Residential communities**						
	Project Life Financials	500	11	2%	500	0	0%
	Current Year Financials	230	6	3%	230	0	0%
	Project Description	Mandatory 20mph Residential communities.					
	Project Lifecycle	Planned End Date		31-Mar-21	Forecast End Date		31-Mar-21
	Main Issues / Reason for Variance						
	The Scottish Government are currently reviewing 20mph legislation and officers are currently awaiting clarity from them before works can resume. This review is taking longer than anticipated, with still no formal outcome from Scottish Government on how to proceed.						
	Mitigating Action						
	None available at this time as timing of review is out with Council control.						
	Anticipated Outcome						
	Project to be delivered within budget albeit later than first anticipated.						

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		Budget	Spend to Date		Forecast Spend	Variance	
		£000	£000	%	£000	£000	%
57	**Invest in "Your Community Initiative"**						
	Project Life Financials	1,000	614	61%	1,000	0	0%
	Current Year Financials	158	42	26%	158	0	0%
	Project Description	Capital budget to support the roll out of Your Community, an initiative designed to achieve coordinated service delivery in response to community need. This is complimented by community capacity building, empowering WD citizens to do more for their own communities (leading to less reliance on council). Also included is the implementation of participatory budgeting to support and build capacity in communities.					
	Project Lifecycle	Planned End Date	31-Mar-23		Forecast End Date	31-Mar-23	

Main Issues / Reason for Variance

The main element of this budget relates to the Improvement Fund which is subject to the work of a tactical group who meets every 6 weeks and are working to identify suitable projects (the focus being on environmental projects in response to individual neighbourhood needs). There is also a review ongoing of the Your Community Initiative the aim of which is to streamline processes and deliver projects in a more timely fashion. Delay in spend is due to the fact that to date many of the improvements delivered via the Your Community approach have been funded from existing service budgets, resulting in insufficient spend from the Improvement Fund. Officers are actively researching investment opportunities in which this capital budget can be spent in the most beneficial way for the communities, with latest investment being in the new MUGA's at Castlehill in partnership with the Community Capital Fund. Other various proposals to utilise this budget are being presented and being evaluated at present to take the project forward.

Mitigating Action

Opportunities to mitigate have been limited due to the need to liaise with communities. The group continues to liaise with groups regularly to ensure funds are utilised for the benefit of the communities.

Anticipated Outcome

Full budget spend anticipated albeit later than originally planned.

58	**Integrated Housing Management System**						
	Project Life Financials	624	488	78%	624	0	0%
	Current Year Financials	187	51	0%	187	0	0%
	Project Description	This is a budget to support the necessary development and on-going requirements of implementing the Council's Integrated Housing Management System.					
	Project Lifecycle	Planned End Date	31-Mar-20		Forecast End Date	31-Mar-20	

Main Issues / Reason for Variance

No issues, the system went live on 6th November 2019

Mitigating Action

None required at this time.

Anticipated Outcome

Project is to delivered in-line with rephased project timeline and within project life budget.

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		Budget	Spend to Date		Forecast Spend	Variance	
		£000	£000	%	£000	£000	%
59	**Pappert Woodland Wind Farm**						
	Project Life Financials	6,900	37	1%	6,900	0	0%
	Current Year Financials	4	0	0%	0	(4)	0%
	Project Description	Provision of new wind farm.					
	Project Lifecycle	Planned End Date		31-Mar-24	Forecast End Date		31-Mar-24
	Main Issues / Reason for Variance						
	Following IRED Committee in August 2019, it was agreed not to pursue a Wind Farm Development on WDC land. WDC is still in negotiations with the potential new development partner, however until this arrangement can be finalised, no spend can progress. It is therefore the intention to remove this project at the next capital refresh until a clear proposal can be developed.						
	Mitigating Action						
	Project team will continue to consult with Planning and other statutory consultees once revised scheme has been finalised.						
	Anticipated Outcome						
	Project completion generates savings in line with revised financial analysis.						
60	**Depot Urgent Spend**						
	Project Life Financials	207	206	100%	207	0	0%
	Current Year Financials	1	0	0%	1	0	0%
	Project Description	Depot upgrades.					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Mar-20
	Main Issues / Reason for Variance						
	Final minor expenditure in 2019/20 to complete project.						
	Mitigating Action						
	None required at this time.						
	Anticipated Outcome						
	To achieve condition B from condition C.						
61	**Building Upgrades and H&S - lifecycle & reactive building upgrades**						
	Project Life Financials	4,078	2,416	59%	4,078	0	0%
	Current Year Financials	4,078	2,425	59%	4,078	0	0%
	Project Description	Lifecycle and reactive building upgrades.					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Mar-20
	Main Issues / Reason for Variance						
	Budget expected to be fully allocated with Officers having identified a number of projects which they anticipate will be complete by end March 2020.						
	Mitigating Action						
	Ongoing regular meetings seeking to mitigate any possible delays to projects.						
	Anticipated Outcome						
	Project delivered within budget and amended timescales.						
62	**Upgrade Lighting**						
	Project Life Financials	95	0	0%	95	0	0%
	Current Year Financials	95	0	0%	95	0	0%
	Project Description	Upgrade Lighting					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Mar-20
	Main Issues / Reason for Variance						
	It was anticipated that works would be complete over the October recess but due a supply issue on some light fittings for both schools. Whitecrook is 100% complete with work to Carleith being reprogrammed to complete in November. Works being considered for works to Dumbarton Academy, Our Lady of Lorretto and other council buildings as required.						
	Mitigating Action						
	None available at this time.						
	Anticipated Outcome						
	Delivery of project on time and on budget.						

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		£000	£000	%	£000	£000	%
63	**Water Meter Downsize**						
	Project Life Financials	16	2	13%	16	0	0%
	Current Year Financials	16	2	13%	16	0	0%
	Project Description	Water Meter Downsize					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Mar-20
	Main Issues / Reason for Variance						
	Dumbarton Academy, Bonhill Primary, Goldenhill Primary and Clydebank High school are all complete and awaiting invoices. Budget expected to be fully utilised in 2019/20.						
	Mitigating Action						
	None required at this time.						
	Anticipated Outcome						
	Delivery of project on time and on budget.						
64	**Urinal Controls**						
	Project Life Financials	45	0	0%	45	0	0%
	Current Year Financials	45	0	0%	45	0	0%
	Project Description	Urinal Controls					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Mar-20
	Main Issues / Reason for Variance						
	Project progressing with controls being fitted in various Council properties. Budget will be fully utilised in 2019/20.						
	Mitigating Action						
	None required at this time.						
	Anticipated Outcome						
	Delivery of project on time and on budget.						
65	**Electricity Automatic meters**						
	Project Life Financials	28	0	0%	28	0	0%
	Current Year Financials	28	0	0%	28	0	0%
	Project Description	Electricity Automatic meters					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Mar-20
	Main Issues / Reason for Variance						
	No issues to report. Works approx. 90% complete. Budget will be fully utilised in 2019/20.						
	Mitigating Action						
	None required at this time.						
	Anticipated Outcome						
	Delivery of project on time and on budget.						
66	**Energy Projects quick wins**						
	Project Life Financials	60	2	4%	60	0	0%
	Current Year Financials	10	2	22%	10	0	0%
	Project Description	Energy Projects quick wins					
	Project Lifecycle	Planned End Date		31-Mar-22	Forecast End Date		31-Mar-22
	Main Issues / Reason for Variance						
	Work to upgrade heating controls in Lennox Primary, Dumbarton Academy and Whitecrook now complete and awaiting charges. It is anticipated that other proposals under consideration will fully utilise this budget in 2019/20.						
	Mitigating Action						
	None required at this time.						
	Anticipated Outcome						
	Delivery of project on time and on budget.						

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		Budget	Spend to Date		Forecast Spend	Variance	
		£000	£000	%	£000	£000	%
67	**Automatic Meter Readers**						
	Project Life Financials	48	18	37%	48	0	0%
	Current Year Financials	48	18	37%	48	0	0%
	Project Description	Automatic Meter Readers.					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Mar-20
	Main Issues / Reason for Variance						
	New Meter fitting programme has commenced and progressing well and is 50% complete and awaiting charges. It is expected budget will be fully spent in 2019/20.						
	Mitigating Action						
	None required at this time.						
	Anticipated Outcome						
	Delivery of project on time and on budget.						
68	**Queens Quay - Regeneration**						
	Project Life Financials	15,620	13,705	88%	15,620	0	0%
	Current Year Financials	4,279	2,364	55%	4,279	0	0%
	Project Description	Queens Quay regeneration.					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		30-Nov-19
	Main Issues / Reason for Variance						
	This project has experienced delays compared to the original timetable in order to coordinate and deliver the benefits of New Clydebank Health Centre, Care Home, and District Heating, resulting in forecast end date being extended to November 2019. However the spend related to these works is now well underway. There is a potential that costs currently associated with the District Heating project may be apportioned to the infrastructure project, however this is uncertain at this time and will be closely monitored.						
	Mitigating Action						
	A number of mitigating actions are being monitored through the risk register by the Management Group. Fortnightly meetings with the development partner take place to progress the project and make every attempt to reduce delays and slippage.						
	Anticipated Outcome						
	Regeneration of Clydebank Waterfront in line with budget, but delayed to co-ordinate with District Heating project.						
69	**Purchase of 3 Welfare Units**						
	Project Life Financials	78	0	0%	78	0	0%
	Current Year Financials	78	0	0%	78	0	0%
	Project Description	At Council meeting on 30th August 2017 it was agreed to purchase 3 Welfare Units as a spend-to-save proposal.					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Mar-20
	Main Issues / Reason for Variance						
	Due to a change in requirements officers are potentially now looking to buy mobile units rather then fixed units with options to come back to a future DLO project board therefore budget was required to be rephased from 2018/19. It is anticipated the required units will be purchased in 2019/20 and full budget spend is expected.						
	Mitigating Action						
	None required at this time.						
	Anticipated Outcome						
	Project will be delivered later than anticipated.						

WEST DUNBARTONSHIRE COUNCIL **APPENDIX 8**
GENERAL SERVICES CAPITAL PROGRAMME
ANALYSIS OF PROJECTS AT GREEN ALERT STATUS

MONTH END DATE **31 October 2019**

PERIOD **7**

Budget Details	Project Life Financials					
	Budget	Spend to Date		Forecast Spend	Variance	
	£000	£000	%	£000	£000	%
70 Replace Elderly Care Homes and Day Care Centres						
Project Life Financials	27,463	19,901	72%	27,463	0	0%
Current Year Financials	8,824	3,605	41%	8,824	0	0%
Project Description	Design and construction of replacement elderly care homes and day care centres in Dumbarton and Clydebank areas.					
Project Lifecycle	Planned End Date	31-Mar-22		Forecast End Date	30-Apr-20	

Main Issues / Reason for Variance

Dumbarton Care Home achieved practical completion on 28 April 2017. There is one outstanding recorded defect yet to be rectified relating to the CHP engine and accordingly a small amount of retention has been withheld but forecast to be released this financial year. With regards to Clydebank Care Home, CCG have been in possession of the site since the end of October 2018 and are progressing against the revised construction programme with a completion date of 22 May 2020 with the target opening late Summer 2020. Further to the completion date in May 2020, there is a 5 week period (26 June 2020) for the removal of the construction haul road and satisfying the handback conditions of the NHS licence to occupy, prior to the Health Centre contractor taking possession of this area.

Mitigating Action

Due to the complexity of both the relationships and co-dependencies with other neighbouring projects being developed at the same time the ability to mitigate within the project scope of control is limited – corporately, mitigation rests with delivery of programmes for overall Queens Quay Masterplan and in particular District Heating System. Now that the contract has been awarded there will be greater control over the project and it's spend.

Anticipated Outcome

New Care home provision in Clydebank currently delayed as indicated by the overall forecast end date above.

71 Special Needs - Aids & Adaptations for HSCP clients						
Project Life Financials	757	361	48%	757	0	0%
Current Year Financials	757	361	48%	757	0	0%
Project Description	Reactive budget to provide adaptations and equipment for HSCP clients.					
Project Lifecycle	Planned End Date	31-Mar-20		Forecast End Date	31-Mar-20	

Main Issues / Reason for Variance

Reallocation of expenditure currently coded through HSCP Revenue Aids & Adaptations budget.

Mitigating Action

None required.

Anticipated Outcome

Provision of adaptations and equipment to HSCP clients as anticipated.

72 Capital Contingency Fund						
Project Life Financials	0	0	100%	0	0	100%
Current Year Financials	0	0	100%	0	0	100%
Project Description	Contingency budget created from underspends and/or anticipated project savings identified from TCR's.					
Project Lifecycle	Planned End Date	31-Mar-20		Forecast End Date	31-Mar-20	

Main Issues / Reason for Variance

N/A

Mitigating Action

N/A

Anticipated Outcome

N/A

WEST DUNBARTONSHIRE COUNCIL **APPENDIX 8**
GENERAL SERVICES CAPITAL PROGRAMME
ANALYSIS OF PROJECTS AT GREEN ALERT STATUS

MONTH END DATE **31 October 2019**

PERIOD **7**

	Budget Details	Project Life Financials					
		Budget	Spend to Date		Forecast Spend	Variance	
		£000	£000	%	£000	£000	%
73	**Direct Project Support**						
	Project Life Financials	3,022	140	100%	3,022	0	100%
	Current Year Financials	3,022	140	100%	3,224	202	100%
	Project Description	Business support cost such as reallocation of architects and project support at year end.					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Mar-20
	Main Issues / Reason for Variance						
	Forecast for 2019/20 increased to £3.224m based on salary capitalisation exercise in September 2019.						
	Mitigating Action						
	None required.						
	Anticipated Outcome						
	Direct project support costs allocated as appropriate.						
	TOTAL PROJECTS AT GREEN STATUS						
	Project Life Financials	171,733	103,129	60%	171,730	(2)	0%
	Current Year Financials	47,066	16,750	36%	46,922	(144)	0%

WEST DUNBARTONSHIRE COUNCIL **APPENDIX 9**
GENERAL SERVICES CAPITAL PROGRAMME
ANALYSIS OF RESOURCES WHERE CURRENT YEAR VARIANCE IS OVER £0.050M

MONTH END DATE **31 October 2019**

PERIOD **7**

	Budget Details	Project Life Financials					
		Budget	Spend to Date		Forecast Spend	Forecast Variance	
		£000	£000	%	£000	£000	%
1	**Ring Fenced Government Grant Funding**						
	Project Life Financials	(45,584)	(5,185)	11%	(42,101)	3,482	-8%
	Current Year Financials	(8,699)	(2,743)	32%	(5,179)	3,520	-40%
	Project Description	This is ring fenced grant funding which is primarily anticipated to be received from the Scottish Government and relates to Cycling, Walking, Safer Streets, Early Years, Gruggies Burn Flood works, Early Years funding, City Deal and Town Centre Fund.					
	Project Lifecycle	Planned End Date		31-Mar-26	Forecast End Date		31-Mar-26
	Main Issues / Reason for Variance						
	Main variance relates to Early Years Funding and Exxon City Deal grant not anticipated to be applied in 2019/20 due to spend levels.						
	Mitigating Action						
	Mitigating actions are detailed within the appropriate status updates.						
	Anticipated Outcome						
	Specific grants applied in year will be less than anticipated in 2019/20						
2	**Capital Receipts**						
	Project Life Financials	(28,879)	(2,820)	10%	(28,546)	332	-1%
	Current Year Financials	(8,392)	(766)	9%	(8,060)	332	-4%
	Project Description	These are capital receipts that are anticipated from sales of land and buildings both as part of the normal disposal programme and also as part of the business case investment in office rationalisation, new school building and new care home development					
	Project Lifecycle	Planned End Date		31-Mar-26	Forecast End Date		31-Mar-26
	Main Issues / Reason for Variance						
	Capital receipt in year and anticipated to be less than budgeted due to market conditions						
	Mitigating Action						
	While market conditions are out with officers control all potential receipts will be explored.						
	Anticipated Outcome						
	Capital receipts received less than forecast						
3	**Prudential Borrowing**						
	Project Life Financials	(155,766)	(128,149)	82%	(161,305)	(5,539)	4%
	Current Year Financials	(41,314)	(12,245)	30%	(33,753)	7,561	-18%
	Project Description	Prudential borrowing is long term borrowing from financial institutions that has been approved for the purposes of funding capital expenditure					
	Project Lifecycle	Planned End Date		31-Mar-26	Forecast End Date		31-Mar-26
	Main Issues / Reason for Variance						
	Prudential borrowing in 2019/20 is likely to be less than budgeted due to programme re-phasing						
	Mitigating Action						
	Prudential borrowing is impacted by programme delivery therefore mitigating action is detailed in the red and amber analysis						
	Anticipated Outcome						
	While prudential borrowing requirement is likely to be less than budgeted in the current financial year this is anticipated to catch up over the programme life.						
	TOTAL RESOURCES						
	Project Life Financials	(335,100)	(180,568)	54%	(336,377)	(1,277)	0%
	Current Year Financials	(74,177)	(22,711)	31%	(62,730)	11,447	-15%

WEST DUNBARTONSHIRE COUNCIL

Report by the Strategic Lead Housing and Employability

Council: 27 November 2019

Subject: Housing Revenue Account Budgetary Control Report to 31 October 2019 (Period 7)

1. Purpose

1.1 The purpose of the report is to provide members with an update on the financial performance to 31 October 2019 (Period 7) of the HRA revenue and capital budgets.

2. Recommendations

2.1 Members are asked to:

i) note the contents of this report which shows the revenue budget forecast to underspend against budget by £0.020m (0.05%) at the year-end; and

ii) note the net projected annual position in relation to relevant capital projects which is highlighting a variance of £11.964m (19.6%) due to projected net slippage of £12.207m (19.2%) and an overspend of £0.243m (-0.4%).

3. Background

Revenue

3.1 At the meeting of West Dunbartonshire Council on 14 February 2019, Members agreed the revenue estimates for 2018/2019 and a total budget of £43.204m.

Capital

3.2 At the meeting of Council on 14 February 2019, Members also agreed the updated Capital Plan for 2019/20 which has been augmented by slippage from 2018/19 to produce a total planned spend for 2019/20 of £62.316m.

4. Main Issues

Revenue

4.1 The budgetary position for HRA Revenue is provided in Appendix 1 with information on projected variances valued at more than £0.050m being provided as Appendix 2, and shows a projected underspend of £0.020m.

Capital

4.2 The HRA capital summary position is shown in Appendix 3. Information on projects that are highlighted as being within the red and amber categories are provided in Appendices 4 & 5. Appendix 6 provides information on all the remaining projects which are categorised as being within the Green category. A summary of anticipated resources is shown in Appendix 7. The analysis shows that for the in-year planned spend there is currently a projected in-year variance of £11.964m which relates to net anticipated slippage of £12.207m and an overspend of £0.243m. The net slippage comprises £17.207m delayed spend offset by £5.000m accelerated spend.

4.3 From the analysis within appendix 4, it can be seen that there are four projects with forecast material slippage, as listed as follows:

Project Name	**Slippage (£m)**
Doors/Window Component Renewals	0.648
Statutory/regulatory compliance works (lifts/electrical/legionella/fire etc)	1.035
Projects to deliver housing policies/strategies (Buy Backs)	1.479
Affordable Housing Supply Programme	9.045

4.4 The Strategic Housing Investment Plan (SHIP) 2018-2023, outlining West Dunbartonshire's Affordable Housing Supply Programme (AHSP) through the More Homes West Dunbartonshire approach was approved by the Housing and Communities Committee in November 2018 with an updated budget being approved at Council on 14 February 2019. An update on the programme and progress on each site was provided to the Housing and Communities Committee on the 6 November 2019. At this point costings for the various sites within the AHSP are being finalised as part of the procurement processes for these sites.

4.5 Current projections of costs are showing that the St Andrews site is expected to be over budget by around £1.417m, Aitkenbar to be under budget by £0.431m, Creveul to be under budget by £0.014m, Haldane to be over budget by £0.447m and Dumbarton Harbour to be over by £0.921m. Officers have been successful in securing additional grant income totalling £0.339m for the Aitkenbar and Haldane sites which partially offsets some of this overspend. Currently the underspends and additional grant income projected don't match the projected overspend. Once further costings and possible additional grant are known it may be necessary to seek Council permission to vire funds between budgets within the AHSP and/or to accelerate funds from planned future years spend within the AHSP.

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 implications of the budgetary control report. There are no procurement implications arising from this report.

7. Risk Analysis

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

8. Equalities Impact Assessment (EIA)

8.1 The report is for noting and therefore no Equalities Impact Assessment was completed for this report.

9. Consultation

9.1 The views of both Finance and Legal services have been requested on this report and both have advised there are neither any issues nor concerns with the proposal. As the report is for noting no further consultation is envisaged.

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 five strategic priorities of the Council's Strategic Plan. This report forms part of the financial governance of the Council. This report is for noting and, therefore, does not directly affect any of the strategic priorities.

Peter Barry
Strategic Lead – Housing and Employability
Date: 15 November 2019

Person to Contact: Janice Rainey - Business Unit Finance Partner (HEED), 16 Church Street, Dumbarton, G82 1QL, telephone: 01389 737704, e-mail janice.rainey@west-dunbarton.gov.uk

Appendices:	Appendix 1 - Budgetary Position (Revenue) Appendix 2 - Variance analysis (Revenue) Appendix 3 - Budgetary Position (Capital) Appendix 4 - Variance analysis Red Projects (Capital) Appendix 5 - Variance analysis Amber Projects (Capital) Appendix 6 - Variance analysis Green Projects (Capital) Appendix 7 - Resources (Capital)
Background Papers:	None
Wards Affected:	All

WEST DUNBARTONSHIRE COUNCIL
HRA REVENUE BUDGETARY CONTROL 2019/2020

Appendix 1

PERIOD END DATE | **31 October 2019**

Subjective Summary	Total Budget 2019/20 £000	Spend to Date 2019/20 £000	Forecast Spend £000	Forecast Variance 2019/20 £000	%	Annual RAG Status
Employee Costs	5,232	3,156	5,183	(49)	-1%	↑
Property Costs	1,776	1,071	1,835	59	3%	↓
Transport Costs	83	35	82	(1)	0%	↑
Supplies, Services And Admin	308	129	354	46	15%	↓
Support Services	2,557	1,474	2,585	28	1%	↓
Other Expenditure	404	292	452	48	12%	↓
Repairs & Maintenance	12,088	6,910	12,137	49	0%	↓
Bad Debt Provision	1,060	590	1,060	0	0%	→
Void Loss (Council Tax/Lost Rents)	870	475	712	(158)	-18%	↑
Loan Charges	18,826	10,982	18,826	0	0%	→
Total Expenditure	**43,204**	**25,114**	**43,226**	**22**	**0%**	↓
House Rents	41,517	24,211	41,520	(3)	0%	↑
Lockup Rents	231	131	225	6	3%	↓
Factoring/Insurance Charges	1,170	695	1,191	(21)	-2%	↑
Other rents	123	64	116	7	6%	↓
Interest on Revenue Balance	62	54	93	(31)	-50%	↑
Miscellaneous income	101	29	101	0	0%	→
Total Income	**43,204**	**25,184**	**43,246**	**(42)**	**0%**	↑
Net Expenditure	**0**	**(70)**	**(20)**	**(20)**		

WEST DUNBARTONSHIRE COUNCIL **APPENDIX 2**
HRA REVENUE BUDGETARY CONTROL 2019/2020
ANALYSIS FOR VARIANCES OVER £50,000

MONTH END DATE	**31 October 2019**
PERIOD	**7**

Budget Details	Variance Analysis				
Subjective Analysis	**Budget**	**Forecast Spend**	**101**		**RAG Status**
	£000	**£000**	**£000**	**%**	
PROPERTY COSTS	1,776	1,835	59	3%	↓

Service Description	
This budget covers electricity, gas, rates, rents, cleaning and insurance costs.	
Variance Narrative	
Main Issues	The main reason for this adverse variance relates to the anticipation that the year end recharges for the costs of property insurance and office accommodation is likely to be in line with last year's outturn which is more than the budgeted level.
Mitigating Action	No mitigation possible however management will ensure that this overspend will be offset by underspends within other areas within the HRA.
Anticipated Outcome	An overspend will be incurred on this line.

Budget Details	Variance Analysis				
Subjective Analysis	**Budget**	**Forecast Spend**	**forecast Variance**		**RAG Status**
	£000	**£000**	**£000**	**%**	
VOID LOSS	870	712	(158)	-18%	↑

Service Description	
This budget covers the rents lost on void houses and lockups and the cost of council tax on void properties.	
Variance Narrative	
Main Issues	One of the main reasons for this favourable variance relates to an underspend on the cost of void council tax. This budget has been set too high, since it included properties which were previously identified for demolition.
Mitigating Action	No mitigating action is required.
Anticipated Outcome	A year end underspend is anticipated.

APPENDIX 3

WEST DUNBARTONSHIRE COUNCIL
HRA CAPITAL PROGRAMME
OVERALL PROGRAMME SUMMARY

MONTH END DATE 31 October 2019

PERIOD 7

Project Status Analysis	Project Life Status Analysis				Current Year Project Status Analysis			
	Number of Projects at RAG Status	% Projects at RAG Status	Spend to Date £000	% Project Spend at RAG Status	Number of Projects at RAG Status	% Projects at RAG Status	Spend to Date £000	% Project Spend at RAG Status
Red								
Projects are forecast to be overspent and/or experience material delay to completion	5	20.0%	12,565	28.7%	5	20.8%	6,543	32.3%
Amber								
Projects are either at risk of being overspent and/or delay in completion (although this is unquantifiable at present) or the project has any issues that require to be reported at this time	2	8.0%	7,283	16.6%	2	8.3%	2,426	12.0%
Green								
Projects are on target both in relation to overall budget and the forecast stages in the project life cycle and no issues are anticipated at this time	18	72.0%	23,949	54.7%	17	70.8%	11,266	55.7%
TOTAL EXPENDITURE	**25**	**100%**	**43,797**	**100%**	**24**	**100%**	**20,235**	**100%**

Project Status Analysis	Project Life Financials				Current Year Financials					
	Budget £000	Spend to Date £000	Forecast Spend £000	Forecast Variance £000	Budget £000	Spend to Date £000	Forecast Spend £000	Forecast Variance £000	Re-Phasing £000	Over/ (Under) £000
Red										
Projects are forecast to be overspent and/or significant delay to completion	116,869	12,565	116,869	0	40,464	6,543	28,500	(11,964)	(12,207)	243
Amber										
Projects are either at risk of being overspent and/or delay in completion (although this is unquantifiable at present) or the project has any issues that require to be reported at this time	12,700	7,283	12,400	0	2,800	2,426	2,800	(0)	0	(0)
Green										
Projects are on target both in relation to overall budget and the forecast stages in the project life cycle and no issues are anticipated at this time	79,210	23,949	79,210	0	19,052	11,266	19,052	0	0	0
TOTAL EXPENDITURE	**208,779**	**43,797**	**208,479**	**0**	**62,316**	**20,235**	**50,352**	**(11,964)**	**(12,207)**	**243**
TOTAL RESOURCES	**208,779**	**43,797**	**208,479**	**300**	**62,316**	**20,235**	**50,352**	**11,964**		
NET EXPENDITURE	**0**	**0**	**0**	**300**	**0**	**0**	**0**	**0**		

WEST DUNBARTONSHIRE COUNCIL **APPENDIX 4**
HRA CAPITAL PROGRAMME
ANALYSIS OF PROJECTS AT RED STATUS

MONTH END DATE **31 October 2019**

PERIOD **7**

Budget Details	Project Life Financials					
	Budget	Spend to Date		Forecast Spend	Variance	
	£000	£000	%	£000	£000	%
1 Doors/window component renewals						
Project Life Financials	9,000	1,514	17%	9,000	0	0%
Current Year Financials	2,148	662	31%	1,500	(648)	-30%
Project Description	Doors/Windows Component Renewals					
Project Lifecycle	Planned End Date		31-Mar-24	Forecast End Date		31-Mar-24

Main Issues / Reason for Variance

Programme behind target. Windows supply is now meeting expectations, fitting team now needs to catch up with programme which had dropped due to materials availability. Building Services are confident they will catch up. Building Services Manager is aware of the required increased efforts over the second half of the year.

Mitigating Action

Building Services to focus on labour resources to catch up with programme, % against target is increasing monthly and needs to continue.

Anticipated Outcome

Tentatively projected to complete as planned and meet spend targets.

2 Statutory/regulatory compliance works						
Project Life Financials	3,931	141	4%	3,931	0	0%
Current Year Financials	1,535	45	3%	500	(1,035)	-67%
Project Description	This budget will be used to upgrade / replace components / installations in order to comply with the relevant standards / legislation / health and safety in relation to housing stock.					
Project Lifecycle	Planned End Date		31-Mar-24	Forecast End Date		31-Mar-24

Main Issues / Reason for Variance

Work is progressing with smoke detectors installs in tandem with other works ongoing such as void programme, boilers, kitchens, bathrooms etc. Building Services are in liaison with procurement team to bring in back-up contractor to increase output on this programme to meet targets.

Mitigating Action

Installs continue in connection with other programmes accessing properties. Officers are working with procurement to bolster resources in efforts to increase output.

Anticipated Outcome

Project to complete as planned and meet spend targets.

WEST DUNBARTONSHIRE COUNCIL **APPENDIX 4**
HRA CAPITAL PROGRAMME
ANALYSIS OF PROJECTS AT RED STATUS

MONTH END DATE **31 October 2019**

PERIOD **7**

Budget Details	Project Life Financials					
	Budget	Spend to Date		Forecast Spend	Variance	
	£000	£000	%	£000	£000	%
3 Heating Improvement Works						
Project Life Financials	3,300	1,303	39%	3,300	0	0%
Current Year Financials	600	685	114%	765	165	28%
Project Description	Carry out works to renew inefficient boilers/full systems as identified from the stock condition survey and renewal of obsolete/damaged boilers.					
Project Lifecycle	Planned End Date		31-Mar-24	Forecast End Date		31-Mar-24

Main Issues / Reason for Variance
A larger number of boilers are being renewed following referral for renewal after annual maintenance. Monthly numbers are exceeding targets and progressing at a higher demand than anticipated. This is reflected in an in-year overspend, however, it is anticipated that this project will complete on budget by the end of the project life.

Mitigating Action
Overall, it is anticipated that the project will complete on budget by the end of the project life.

Anticipated Outcome
Project to complete on budget as planned.

4 Projects to deliver housing policies/strategies (Buy Backs)						
Project Life Financials	3,714	728	6%	3,714	0	0%
Current Year Financials	2,197	211	0%	718	(1,479)	-67%
Project Description	This is a budget to undertake specific projects that will deliver housing policies/strategies, example: Ex local authority and mortgage to rent buy-back scheme					
Project Lifecycle	Planned End Date		31-Mar-21	Forecast End Date		31-Mar-21

Main Issues / Reason for Variance

The main objective of the Buy Back Scheme is to bring former council properties that were sold through the RTB scheme, back into council use. These properties must assist the council with reducing housing need on the waiting list and where appropriate assist with external capital works. For these reasons, any purchase is subject to stringent criteria to ensure accountability and value for money for existing tenants. With several key stakeholders involved, this does mean that there is potential for slippage.

Mitigating Action

Officers are working to maximise buy-backs, in an effort to increase delivery of the scheme and positively impact and minimise slippage. The policy has been refreshed and expanded to help achieve the key strategic aim.

Anticipated Outcome
Budget unlikely to meet full spend. Officers will endeavour to maximise spend and minimise slippage. Remaining balance will be required to be rephased into 2020-21 for planned buy-backs unable to complete within the current financial year.

WEST DUNBARTONSHIRE COUNCIL **APPENDIX 4**
HRA CAPITAL PROGRAMME
ANALYSIS OF PROJECTS AT RED STATUS

MONTH END DATE **31 October 2019**

PERIOD **7**

Budget Details	Project Life Financials					
	Budget	Spend to Date		Forecast Spend	Variance	
	£000	£000	%	£000	£000	%
5 **Affordable Housing Supply Programme**						
Project Life Financials	96,924	8,879	9%	96,924	0	0%
Current Year Financials	33,984	4,940	15%	25,017	(8,967)	-26%
Project Description	Affordable Housing Supply Programme					
Project Lifecycle	Planned End Date		31-Mar-24	Forecast End Date		31-Mar-24

Main Issues / Reason for Variance

Current projections for sites where the contract price has been received, are showing that the St Andrews site is expected to be over budget by around £1.417m, Aitkenbar to be under budget by £0.431m, Creveul under by £0.014m, Haldane over by £0.447m and Dumbarton Harbour to be over by £0.921m. Officers have been successful in securing additional grant income totalling £0.339m for the Aitkenbar and Haldane sites which partially offset some of this overspend. Currently the underspends and additional grant income projected don't match the overspend. Once further costings are known it may be necessary to seek Council permission to vire funds between budgets within the AHSP and/or to accelerate funds from planned future years spend within the AHSP. Site update are as follows :-

St Andrews School - This development will provide 126 units in total. This site will now fully be developed by the Council and all units used for council housing. This project is now on site as of 3rd June 2019 and is anticipated to complete in March 2021. Due to unforeseen ground conditions and the requirement for a detailed remediation strategy, the costs for this project will be £1.417m above budget. Works are progressing quickly on site so it is likely that payments due prior to 31/3/20 will be £5m higher than anticipated when budget was phased . This will be offset by lower payments out in 2021.

Dumbarton Harbour- The Housing Development Team are engaged with Turner Townsend and have agreed the design specification for the delivery of the 45 units. An element of enabling works has already commenced and full planning permission is already secured. Following a recent meeting with Cullross and Turner Townsend, it has emerged that a number of costs across the project have increased, adding an additional £0.921m onto the project cost, in relation to the market conditions at present being higher now due to the level of demand on services. Following an options appraisal and discussion at the More Homes West Dunbartonshire Project Board it was considered that it was still viable to proceed as the cost per unit is still lower than the average cost per unit across our other new build projects. This has had the effect of delaying the site start which will now be November 2019 with anticipated slippage into 20/21 of £1.255m.

Creveul Court, Alexandria Town Centre - Creveul Court development will see a 22 unit development of flats with lifts and bungalows a key principle for the design is to build on the housing need already satisfied through the adjacent Caledonia/Dunbritton Housing Association's Kippen Dairy development and meet any unmet need particularly in relation to older person's accommodation. Completing demolition and actions to get onsite took longer than anticipated, however the development is now progressing quickly and spend will be incurred within the next 5 months. Slippage of £1.019m will be required to be carried forward into 20/21.

Haldane Development-The project is now on-site as of 21 October 2019 .Housing Development have appointed Consultancy Services to undertake the Employers Agent role on this development. Site demolition and subsequent site investigation took longer than expected however the development is now progressing well. It is anticipated that slippage of £3.416m will be required to be carried forward into 20/21.

Clydebank East - Burnfield Demolition started onsite on 3 June 2019 and work is progressing well. The demolition is programmed to take until June 2020. This is a difficult site with a substation relocation and complex underground connections running through it. It is also in close proximity to the new Yoker-Renfrew bridge and to ensure it is complimentary to this, the design stage for new build housing is still ongoing. For this reason, slippage of £1.338m is anticipated to be carried forward into 20/21.

Aitkenbar Primary School- The project is now on-site as of 14 October 2019. Housing Development have appointed Consultancy Services to undertake the Employer's Agent role on this development. Project is now progressing well, however delays to getting on site and need for relocation of two community groups using the community hut, will mean that slippage of £6.231m will be required to be carried forward into 20/21.

WEST DUNBARTONSHIRE COUNCIL **APPENDIX 4**
HRA CAPITAL PROGRAMME
ANALYSIS OF PROJECTS AT RED STATUS

MONTH END DATE **31 October 2019**

PERIOD **7**

Budget Details	Project Life Financials					
	Budget	Spend to Date		Forecast Spend	Variance	
	£000	£000	%	£000	£000	%

Queens Quay, Site B, Clydebank- A Planning Application for Site A and B comprising of a total of 146 flatted units (29 WDC units included within this) was made in December 2018 and planning approval was received from the March 2019 Planning Committee. Council, at the 26 June 2019 meeting, approved the use of the Council's General Services Capital Regeneration Fund to fund the construction of the four commercial units within the affordable housing development to assist with the delivery of this project. It is anticipated that slippage of £0.786m will be required to be carried forward into 20/21.

Queens Quay, Site C, Clydebank- The Council is currently developing a design to deliver a projected 31 family type homes on this site to complement the housing mix within sites A and B. It is anticipated more detail will be available for the next meeting of the Housing and Communities Committee.

Mitigating Action

The process of getting on-site with a new build project is highly complex and reliant on a number of interdependent actions, therefore it has not been possible to mitigate this slippage .Progress of projects are regularly reported to the More Homes Project Board and discussed in detail with the aim to achieve best outcome achievable while mindful of the importance of delivering projects timeously. The majority of the budget is spent once projects are onsite so spend should now start to pick up significantly but slippage will be unavoidable.

Anticipated Outcome

The Affordable Housing Supply Programme will be delivered on time and within the overall project life budget.

TOTAL RED						
Project Life Financials	116,869	12,565	11%	116,869	0	0%
Current Year Financials	40,464	6,543	16%	28,500	(11,964)	-30%

WEST DUNBARTONSHIRE COUNCIL **APPENDIX 5**
HRA CAPITAL PROGRAMME
ANALYSIS OF PROJECTS AT AMBER STATUS

MONTH END DATE **31 October 2019**

PERIOD **7**

Budget Details	Project Life Financials					
	Budget	Spend to Date		Forecast Spend	Variance	
	£000	£000	%	£000	£000	%
1 Void Capital						
Project Life Financials	11,500	7,283	63%	11,500	0	0%
Current Year Financials	2,500	2,426	97%	2,700	200	8%
Project Description	Spend on Void Properties to bring them up to letting standard					
Project Lifecycle	Planned End Date		31-Mar-24	Forecast End Date		31-Mar-24
Main Issues / Reason for Variance						
Demand has been greater than originally budgeted, resulting in an overspend of £0.510m.						
Mitigating Action						
Officers will continue to manage this programme, however, the in year overspend will be offset by an underspend with the SHQS budget .						
Anticipated Outcome						
Project to complete on budget as planned.						
2 Targeted SHQS Compliance Works						
Project Life Financials	1,200	0	0%	900	(300)	-25%
Current Year Financials	300	0	0%	100	(200)	-67%
Project Description	This budget is to focus on work required to maintain the SHQS compliance with WDC housing					
Project Lifecycle	Planned End Date		31-Mar-24	Forecast End Date		31-Mar-24
Main Issues / Reason for Variance						
This budget is to address work required for those properties in SHQS abeyance. Despite efforts to engage, owner refusals are impacting on progress and tenant response/accessibility is an issue also. For this reason, it is likely that an in-year underspend of £0.200m will occur. This is in addition to the £0.100m underspend identified in 2018/19 which totals £0.300m of an overall underspend across the project life. Following approval at Housing and communities committee this budget will also fund the airport noise reduction scheme in Clydebank (pilot project). Design progress and feasibility is in progress.						
Mitigating Action						
Officers are progressing noise reduction project.						
Anticipated Outcome						
Project to complete under budget.						
TOTAL AMBER						
Project Life Financials	12,700	7,283	57%	12,400	(300)	-2%
Current Year Financials	2,800	2,426	87%	2,800	(0)	0%

WEST DUNBARTONSHIRE COUNCIL **APPENDIX 6**
HRA CAPITAL PROGRAMME
ANALYSIS OF PROJECTS AT GREEN STATUS

MONTH END DATE **31 October 2019**

PERIOD **7**

	Budget Details	Project Life Financials					
		Budget	Spend to Date		Forecast Spend	Variance	
		£000	£000	%	£000	£000	%
1	**Special Needs Adaptations**						
	Project Life Financials	2,400	649	27%	2,400	0	0%
	Current Year Financials	400	247	62%	400	0	0%
	Project Description	Adaptations to Housing for Special Needs					
	Project Lifecycle	Planned End Date		31-Mar-24	Forecast End Date		31-Mar-24
	Main Issues / Reason for Variance						
	No issues, projected to complete and meet spend target.						
	Mitigating Action						
	No issues						
	Anticipated Outcome						
	Required Adapatations completed						
2	**Capitalised Minor Works**						
	Project Life Financials	3,000	799	27%	3,000	0	0%
	Current Year Financials	713	312	44%	713	0	0%
	Project Description	This is a budget to undertake specific minor ad hoc capital projects that arise on demand throughout the financial year.					
	Project Lifecycle	Planned End Date		31-Mar-24	Forecast End Date		31-Mar-24
	Main Issues / Reason for Variance						
	No issues, projected to complete and meet spend target.						
	Mitigating Action						
	None Required						
	Anticipated Outcome						
	Required Works completed						
3	**Housing Asset Management**						
	Project Life Financials	694	99	14%	694	0	0%
	Current Year Financials	86	40	47%	86	0	0%
	Project Description	Priority projects as advised by Housing Management					
	Project Lifecycle	Planned End Date		31-Mar-24	Forecast End Date		31-Mar-24
	Main Issues / Reason for Variance						
	Overall, it is anticipated that the project will complete on budget by the end of the project life.						
	Mitigating Action						
	None Required						
	Anticipated Outcome						
	Required Works completed						

WEST DUNBARTONSHIRE COUNCIL **APPENDIX 6**
HRA CAPITAL PROGRAMME
ANALYSIS OF PROJECTS AT GREEN STATUS

MONTH END DATE **31 October 2019**

PERIOD **7**

Budget Details	Project Life Financials					
	Budget	Spend to Date		Forecast Spend	Variance	
	£000	£000	%	£000	£000	%
4 Targeted EESSH compliance works						
Project Life Financials	25,750	7,498	29%	25,750	0	0%
Current Year Financials	7,330	4,528	62%	7,330	0	0%
Project Description	This budget enables the council's continued commitment to achieving the Government's standards in relation to energy efficiency.					
Project Lifecycle	Planned End Date	31-Mar-24		Forecast End Date	31-Mar-24	
Main Issues / Reason for Variance						
No issues, projected to complete and meet spend target. Monthly numbers are tracking targets and progressing satisfactorily.						
Mitigating Action						
None required at this time.						
Anticipated Outcome						
Project to complete as planned.						
5 External stores/garages/bin stores/drainage component renewals						
Project Life Financials	374	99	26%	374	0	0%
Current Year Financials	90	5	6%	90	0	0%
Project Description	This budget is to focus on external stores/garages/bin stores etc. component renewals as identified and recommended from the housing stock condition survey.					
Project Lifecycle	Planned End Date	31-Mar-24		Forecast End Date	31-Mar-24	
Main Issues / Reason for Variance						
No issues, projected to complete and meet spend target.						
Mitigating Action						
None required at this time.						
Anticipated Outcome						
Project to complete as planned.						

WEST DUNBARTONSHIRE COUNCIL **APPENDIX 6**
HRA CAPITAL PROGRAMME
ANALYSIS OF PROJECTS AT GREEN STATUS

MONTH END DATE **31 October 2019**

PERIOD **7**

	Budget Details	Project Life Financials					
		Budget	Spend to Date		Forecast Spend	Variance	
		£000	£000	%	£000	£000	%
6	**Integrated Housing Management System**						
	Project Life Financials	460	434	94%	460	0	0%
	Current Year Financials	110	84	76%	110	0	0%
	Project Description	Integrated Housing Management System					
	Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Mar-20
	Main Issues / Reason for Variance						
	No issues, the system went live on 6th November 2019						
	Mitigating Action						
	None required at this time.						
	Anticipated Outcome						
	Project to complete as planned.						
7	**Building external component renewals**						
	Project Life Financials	17,654	4,698	27%	17,654	0	0%
	Current Year Financials	3,280	1,843	56%	3,280	0	0%
	Project Description	Building external component renewals					
	Project Lifecycle	Planned End Date		31-Mar-24	Forecast End Date		31-Mar-24
	Main Issues / Reason for Variance						
	No issues, projected to complete and meet spend target.						
	Mitigating Action						
	None required at this time.						
	Anticipated Outcome						
	Project to complete as planned.						
8	**Energy Improvements**						
	Project Life Financials	329	49	15%	329	0	0%
	Current Year Financials	81	-	0%	81	0	0%
	Project Description	Energy improvements/ efficiency works (e.g. loft insulation, pipe/tank insulation, draught exclusion)					
	Project Lifecycle	Planned End Date		31-Mar-24	Forecast End Date		31-Mar-24
	Main Issues / Reason for Variance						
	No Issues, projected to complete and meet overall spend target.						
	Mitigating Action						
	None required.						
	Anticipated Outcome						
	Project to complete as planned.						

WEST DUNBARTONSHIRE COUNCIL **APPENDIX 6**
HRA CAPITAL PROGRAMME
ANALYSIS OF PROJECTS AT GREEN STATUS

MONTH END DATE **31 October 2019**

PERIOD **7**

	Budget Details	Project Life Financials					
		Budget	Spend to Date		Forecast Spend	Variance	
		£000	£000	%	£000	£000	%
9	**Secure Entry Component Renewals**						
	Project Life Financials	390	74	19%	390	0	0%
	Current Year Financials	134	8	6%	134	0	0%
	Project Description	This budget is to focus on secure door entry component renewals as identified and recommended from the housing stock condition survey and appropriate council officer referrals.					
	Project Lifecycle	Planned End Date		31-Mar-24	Forecast End Date		31-Mar-24
	Main Issues / Reason for Variance						
	No Issues, projected to complete and meet overall spend target.						
	Mitigating Action						
	None required.						
	Anticipated Outcome						
	Project to complete as planned.						
10	**Modern Facilities and Services**						
	Project Life Financials	3,560	811	23%	3,560	0	0%
	Current Year Financials	690	261	38%	690	0	0%
	Project Description	New Kitchens, Bathrooms and Showers					
	Project Lifecycle	Planned End Date		31-Mar-24	Forecast End Date		31-Mar-24
	Main Issues / Reason for Variance						
	No Issues, projected to complete and meet overall spend target.						
	Mitigating Action						
	None required.						
	Anticipated Outcome						
	Project to complete as planned.						

WEST DUNBARTONSHIRE COUNCIL **APPENDIX 6**
HRA CAPITAL PROGRAMME
ANALYSIS OF PROJECTS AT GREEN STATUS

MONTH END DATE **31 October 2019**

PERIOD **7**

Budget Details	Project Life Financials					
	Budget	Spend to Date		Forecast Spend	Variance	
	£000	£000	%	£000	£000	%
11 Defective Structures/Component renewals						
Project Life Financials	3,063	1,070	35%	3,063	0	0%
Current Year Financials	500	415	83%	500	0	0%
Project Description	Defective structures					
Project Lifecycle	Planned End Date		31-Mar-24	Forecast End Date		31-Mar-24
Main Issues / Reason for Variance						
No Issues, projected to complete and meet overall spend target.						
Mitigating Action						
None required.						
Anticipated Outcome						
Project to complete as planned.						
12 Environmental renewal works, paths/fences/walls/parking areas						
Project Life Financials	6,385	1,998	31%	6,385	0	0%
Current Year Financials	1,641	853	52%	1,641	0	0%
Project Description	Environmental renewal works, paths/fences/walls/parking areas					
Project Lifecycle	Planned End Date		31-Mar-24	Forecast End Date		31-Mar-24
Main Issues / Reason for Variance						
No Issues, projected to complete and meet overall spend target.						
Mitigating Action						
None required.						
Anticipated Outcome						
Project to complete as planned.						
13 Asbestos Management works						
Project Life Financials	1,200	412	34%	1,200	0	0%
Current Year Financials	200	128	64%	200	0	0%
Project Description	This budget is to fund work associated with the management of current asbestos legislation and the Council's asbestos policy within housing stock.					
Project Lifecycle	Planned End Date		31-Mar-24	Forecast End Date		31-Mar-24
Main Issues / Reason for Variance						
No Issues, projected to complete and meet overall spend target.						
Mitigating Action						
None required.						
Anticipated Outcome						
Project to complete as planned.						

WEST DUNBARTONSHIRE COUNCIL **APPENDIX 6**
HRA CAPITAL PROGRAMME
ANALYSIS OF PROJECTS AT GREEN STATUS

MONTH END DATE **31 October 2019**

PERIOD **7**

Budget Details	Project Life Financials					
	Budget	Spend to Date		Forecast Spend	Variance	
	£000	£000	%	£000	£000	%
14 Risk Street						
Project Life Financials	2,452	1,957	80%	2,452	0	0%
Current Year Financials	1,881	1,466	78%	1,881	0	0%
Project Description	Risk Street Over clad					
Project Lifecycle	Planned End Date		31-Mar-21	Forecast End Date		31-Mar-21
Main Issues / Reason for Variance						
No issues, projected to complete and meet spend target. First two blocks complete. Works progressing well on remaining blocks, Contractor is progressing well and quality of work is good. Positive feedback from all involved and residents.						
Mitigating Action						
None required.						
Anticipated Outcome						
Project to complete as planned.						
15 Community Safety Projects						
Project Life Financials	98	81	83%	98	0	0%
Current Year Financials	17	0	0%	17	0	0%
Project Description	Community Safety Projects					
Project Lifecycle	Planned End Date		31-Mar-20	Forecast End Date		31-Mar-20
Main Issues / Reason for Variance						
No Issues, projected to complete and meet overall spend target.						
Mitigating Action						
None required.						
Anticipated Outcome						
Project to complete as planned.						
16 Support Services Costs						
Project Life Financials	10,800	3,040	28%	10,800	0	0%
Current Year Financials	1,800	1,050	58%	1,800	0	0%
Project Description	Allocation of costs from other WDC services who support the HRA capital programme					
Project Lifecycle	Planned End Date		31-Mar-24	Forecast End Date		31-Mar-24
Main Issues / Reason for Variance						
No Issues, projected to complete and meet overall spend target.						
Mitigating Action						
None required.						
Anticipated Outcome						
Project to complete as planned.						

WEST DUNBARTONSHIRE COUNCIL **APPENDIX 6**
HRA CAPITAL PROGRAMME
ANALYSIS OF PROJECTS AT GREEN STATUS

MONTH END DATE **31 October 2019**

PERIOD **7**

	Budget Details	Project Life Financials					
		Budget	Spend to Date		Forecast Spend	Variance	
		£000	£000	%	£000	£000	%
17	**Contingencies**						
	Project Life Financials	600	182	30%	600	0	0%
	Current Year Financials	100	27	27%	100	0	0%
	Project Description	This is a contingent budget for unforeseen matters which may arise during the year.					
	Project Lifecycle	Planned End Date		31-Mar-24	Forecast End Date		31-Mar-24
	Main Issues / Reason for Variance						
	No Issues						
	Mitigating Action						
	None required						
	Anticipated Outcome						
	Project to complete as planned and within overall project life budget.						

TOTAL GREEN						
Project Life Financials	79,210	23,949	30%	79,210	0	0%
Current Year Financials	19,052	11,266	59%	19,052	0	0%

WEST DUNBARTONSHIRE COUNCIL
HRA CAPITAL PROGRAMME
ANALYSIS OF RESOURCES

APPENDIX 7

MONTH END DATE **31 October 2019**

PERIOD **7**

	Budget Details	Project Life Financials					
		Budget	Income to Date		Forecast Income	Forecast Variance	
		£000	£000	%	£000	£000	%
1	**New Build Grant**						
	Project Life Financials	(35,623)	(3,774)	11%	(35,735)	(112)	0%
	Current Year Financials	(20,175)	0	0%	(24,050)	(3,875)	19%
	Project Description	Grant to facilitate the building of new build housing					
	Project Lifecycle	Planned End Date		31-Mar-24	Forecast End Date		31-Mar-24

Main Issues / Reason for Variance

The Scottish Government grant funding is awarded based upon the cost of providing the properties required by those most in housing need. In general, as a Local Authority we are providing properties that directly deal with housing need and there are approximately 4,000 applicants currently on the housing list. There is an under supply of larger family accommodation, however most of the projects will increase the number of 3, 4 and 5 bedroom properties. These properties cost more to develop and take up a greater proportion of each site thus reducing the number of units on each site and therefore the grant income. The effect of this has been more than offset however by higher grant level achieved for Aitkenbar and Haldane sites .

Mitigating Action

Progress on the programme will be closely monitored on a regular basis and reported to the Housing and Communities Committee on a quarterly basis.

Anticipated Outcome

Grant income expected to be available earlier than anticipated so more will be received in 19/20 offset by less in 20/21. The project life overall variance will be a small over recovery of £0.112m.

TOTAL RESOURCES						
Project Life Financials	(208,779)	(43,797)	21%	(208,479)	300	0%
Current Year Financials	(62,316)	(20,235)	32%	(50,352)	(11,964)	19%

WEST DUNBARTONSHIRE COUNCIL

Report by Strategic Lead, Resources

Council - 27 November 2019

Subject: Dumbarton Common Good Fund - Grant Applications

1.1 The purpose of this report is to provide information on one grant application and to make recommendation regarding grant award from the Dumbarton Common Good Fund (DCGF). The report also updates Members on a further grant award, as considered by Corporate Services Committee on 19 June 2019.

2. Recommendations

2.1 Council is recommended to agree:

(a) an award of £46,520 be made to Tullochan Trust regarding this application, following a letter of comfort from Tullochan confirming the benefit to Dumbarton residents; and
(b) to provide for an annual payment of £36,000 to be built into the DCGF budget from 2020/21 onwards and for a Service Level agreement to be progressed based upon this budget provision.

3. Background

General

3.1 DCGF grants are administered by West Dunbartonshire Council and applications are reported to Corporate Services Committee as and when received, once they have been considered for other funding sources by the WDCVS.

3.2 The aim of the DCGF is to provide money to encourage and support one-off community activities within Dumbarton with the benefit of grant funding being reserved for residents of Dumbarton.

3.3 Officers received an application that, due to queries outstanding, was not reported to Corporate Services Committee on 13 November 2019. However, due to the urgency of the application outcome, the application has been brought to Council for consideration.

3.4 The balance held in the DCGF as at 31 March 2019 was £0.469m.

3.5 A small grants budget was available for 2019/20 of £0.007m and grants agreed to date aligned to this budget during 2019/20 total £0.052m. Based

upon the budget set by Council on 27 March 2019 (assuming the remaining Town Centre budget of £0.229m is used or committed) and taking into account the additional grants agreed to date, the projected balance carried forward as at 31 March 2020 is £0.275m.The DCGF Prudential Reserve is £0.025m.

3.6 The projected annual income and expenditure for the DCGF budget for the next 3 years is currently:

	2020/21 £m	**2021/22 £m**	**2022/23 £m**
Gross expenditure	0.217	0.217	0.217
Gross income	0.304	0.304	0.304
Net **increase** to reserves	0.087	0.087	0.087
Projected brought forward reserves	0.275	0.362	0.449
Current projection on reserves as at 31 March	0.362	0.449	0.536

3.7 Bellsmyre Development Trust SCIO

On 19 June 2019 Corporate Services Committee considered a grant application to Dumbarton Common Good from Bellsmyre Development Trust SCIO and agreed to approve the full grant of £19,633 requested and that officers consider Service Level Agreements (SLAs) for the Trust. The Trust's annual budget for 2019/20 is:

	2019/20 £m
Gross expenditure	0.123
Gross Income	0.116
Net expenditure	0.007

3.8 The Trust currently holds unrestricted funds of £0.050m, held for potential redundancy costs and as a prudential reserve.

3.9 Bellsmyre Development Trust's year end is 31 January each year. External grant funding is secured until 31 January 2020, from long running multi-year awards (total from Robertson Trust and Big Lottery in 2019/20 is £0.042m). However, these grants are no longer available thereafter, leaving a shortfall of income over expenditure. Other grant applications made during 2019/20 have been unsuccessful to date. The next Corporate Service Committee is February 2020 and therefore it was felt it was appropriate to bring an update to Council for consideration, which will allow the Trust to understand their financial position and consider any appropriate action prior to the start of their new financial year.

4. Main Issues

New Grant Applications

4.1 An application has been received requesting funding and details are shown in the Appendix. The requested grant value is approximately 21.8% of the total cost of the project. Members should note that officers are recommending approval of the £46,520, on condition that a letter of comfort from Tullochan confirming that the number of Dumbarton residents benefitting from the project is equal to or greater than 21.8% of the overall number of young persons benefitting from the project.

Bellsmyre Development Trust

4.2 Following discussions with the Trust, annual grant funding of a maximum of £0.036m is being requested from DCGF, from 2020/21 onwards, on the based of a Service Level Agreement being agreed. This funding would be used to fund general running costs of the Trust, allowing current events and activities to continue within the Bellsmyre area. The funding would also be used to try to lever in other grant funding, with a further £0.025m being required to break even each year. The Trust's request for funding assumes that if grant funding is received in excess of £0.025m then the annual DCGF grant would reduce in line with this.

4.3 If the funding from DCGF wasn't secured, the likelihood would be that the facility would require to either close or drastically reduce in functionality until (and if) alternative grant sources were identified.

5. Option Appraisal

5.1 No option appraisal consideration was required for this report.

6. People Implications

6.1 There are no people implications.

7. Financial and Procurement Implications

7.1 **I**f Council agrees the recommendation for grant award in 2019/20, this would result in the projected carried forward balance in the DCGF being reduced by £0.047m.

7.2 If the recommendation is agreed for annual funding Bellsmyre Development Trust from 2020/21, the annual net increase reserves will reduce from £0.087m to £0.051m.

8. Risk Analysis

8.1 Council must consider financial and reputational risks when considering grant applications. The financial risk is not only that the DCGF remains financially viable, but also that the organisations funded by the Fund comply with the Conditions of Grant which cover issues such as discrimination, health and safety, insurance, etc.

9. Equalities Impact Assessment (EIA)

9.1 No issues were identified in a screening of the application.

10. Environmental Sustainability

10.1 No environmental sustainability issues require to be raised in connection with this report.

11. Consultation

11.1 All organisations are consulted regarding recommendations of grant prior to the report being submitted to Members for consideration. The report has also been considered by legal colleagues.

Stephen West
Strategic Lead, Resources
Date: 20 November 2019

Person to Contact:	Adrian Gray, Business Unit Finance Partner, Corporate Functions Telephone: (01389) 737322 E-mail: Adrian.gray@west-dunbarton.gov.uk
Appendices:	1: Detail of application for assessment
Background Paper:	2018/19 Grants Update report – Corporate Services Committee 19 June 2019 Dumbarton Common Good Budget 2019/20 – Council Report 27 March 2019 Dumbarton Common Good Budget Report / Minute – Council 6 February 2013 Grant Application Forms and background papers
Wards Affected:	Ward 1, 2 and 3

Dumbarton Common Good Fund
for consideration by Council on 27 November 2019
(2019/20)

Organisation	**Purpose of organisation**	**Purpose of grant**	**Grant Requested and Officer Recommendation**
Tullochan Trust	Tullochan delivers a range of different programmes and services all supporting disadvantaged young people aged 7-24 years olds.	Tullochan has recently opened a social enterprise in Dumbarton 'the Common Good' which is a training kitchen/ community café providing training opportunities and low cost, high quality food. The requested funding would be used to cover the Kitchen Manager and Kitchen Assistant's salary and some rental costs of the kitchen. The roles support local young people to learn new skills and gain qualifications in a supportive, welcoming training environment. A young person would work alongside an experienced chef in the training kitchen and community café, learning how to prepare a kitchen and food, engage with customers and till training. Such skills could provide employment opportunities for the young persons involved.	**Project cost: £213,194** **Group contribution: £166,674** **Grant request: £46,520 (21.8% of the overall project)** **Recommended: £46,520 following receipt from Tullochan that the number of Dumbarton residents is equal to or exceeds 21.8%**
Number of members	**How often does it meet**		**Bank Balance and Accounts Balance**
We currently have 19 full time members of staff and 2 part time.	Our board of trustees meet quarterly.		Bank balance at 12.06.19 £18,313.17 Balance held in latest accounts: £240,479 as at 31/08/19

Dumbarton Common Good Fund
for consideration by Council on 27 November 2019
(2020/2021 onwards)

Organisation	**Purpose of organisation**	**Purpose of grant**	**Grant Requested and Officer Recommendation**
Bellsmyre Development Trust SCIO	To alleviate poverty in the Bellsmyre Area through the provision of facilities, resources, activities and the generation of opportunities for all local residents	To partially fund ongoing costs to allow the facilities and activities already established to continue on an ongoing basis.	**Project annual cost: £123,000** **Project annual income £116,000** **Grant request: £36,000 per annum on an ongoing basis with a Service Level Agreement developed.**
Number of members	**How often does it meet**		**Bank Balance and Accounts Balance**
1,108 registered members, with 30 regular volunteers assisting; including 10 volunteer	Board Meetings are bi-monthly and the annual AGM takes place in April each year		Bank balance £52,495 per financial statements at 31st January 2019 (unrestricted). Noted that the balance is above the Reserve policy (stated in their accounts to 31 January 2018 as 3

trustees			months of unrestricted costs which is approx. £15,000; but has been advised more recently by the group's auditors as 6 months of unrestricted costs which is approx. £30,000) which has been adopted.