

WEST DUNBARTONSHIRE COUNCIL

Report by Chief Officer - Resources

**Infrastructure, Regeneration & Economic Development Committee:
1 November 2023**

Subject: Infrastructure, Regeneration & Economic Development Budgetary Control Report 2023/24 to Period 5 (31 August 2023)

1. Purpose

1.1 This report provides an update on the financial performance to 31 August 2023 of those services under the auspices of the Infrastructure, Regeneration and Economic Development Committee (IREC).

2. Recommendations

2.1 Members are asked to:

- i) note the contents of this report showing the revenue budget forecast to overspend against budget by £1.051m (7.48%) at the year-end taking into account that this is subject to change, and
- ii) note the net projected annual position in relation to relevant capital projects which is highlighting a projected variance of £8.746m (11.68%) due to re-profiling.

3. Background

Revenue

3.1 At the meeting of West Dunbartonshire Council on 1 March 2023, Members agreed the revenue estimates for 2023/24. A total net budget of £14.173m was approved for IRED services. Since then there have been various adjustments and some services have moved outwith the IRED remit and the revised budget is therefore now £14.064m, as follows:

	£m
Starting Position	14.173
Staff Movements	-0.053
Allocation of Income Generalisation	-0.056
Revised Budget	14.064

Capital

3.2 At the meeting of Council on 1 March 2023, Members also agreed the updated 10 year General Services Capital Plan for 2023/2024 to 2032/2033.

The three years from 2023/24 to 2025/26 have been approved in detail with the remaining years being indicative at this stage. The total project life budget approved for projects that have either commenced or are due to commence in that period total £133.441m.

4. Main Issues

Revenue Budget

- 4.1 The current budgetary position is summarised in Appendix 1. A more detailed analysis by service is given in Appendix 2.
- 4.2 Of the 13 services monitored 3 are showing either a favourable or nil variance, with 10 services showing an adverse variance. Comments are shown in Appendix 3 when there are projected net annual variances greater than £0.050m and also where the net variance is below £0.050m but there are offsetting variances of over £0.050m within the service.
- 4.3 Appendix 1 shows the probable outturn for the services at £15.115m. As the annual budget is £14.064m there is currently a projected adverse variance for the year of £1.051m.
- 4.4 The Chief Officer for Roads, Neighbourhood and transport in conjunction with Chief Officer for Resources is to meet with the Chief Executive to review possible options to bring projected revenue expenditure in line with budget.

Capital Budget

- 4.5 The overall programme summary report is shown in Appendix 5. Information on projects in the red category for probable underspends or overspends in-year and in total is provided in Appendix 6 together with additional information on action being taken to minimise or mitigate reprofiling and/or overspends where possible and detail on projects within the green category are shown in Appendix 7. The analysis shows that for the in-year planned spend there is currently a projected in-year variance of £8.746m of which £8.746m relates to project reprofiling. Officers review regularly the in-year position to consider options to maximise the effective use of capital resources.
- 4.6 From the analysis within the appendices it can be seen that there are currently no projects with forecast reprofiling over £0.500m.

5. People Implications

- 5.1 There are no people implications.

6. Financial Implications

- 6.1 Other than the financial position noted above, there are no financial implications of the budgetary control report. Officers are currently reviewing budgets and projections with a view to improving the position by financial year end and progress will be highlighted in future reports to committee.

7. Risk Analysis

- 7.1** 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.

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.

Laurence Slavin
Chief Officer – Resources

Date: 5 October 2023

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Appendices: Appendix 1 - Summary Budgetary Position (Revenue)
Appendix 2– Detailed Budgetary Position (Revenue)
Appendix 3 – Variance Analysis (Revenue)
Appendix 4 – Efficiencies & Management Adjustments
Appendix 5 – Budgetary Position (Capital)

Appendix 6 – Variance Analysis Red Status (Capital)
Appendix 7 - Variance Analysis Green (Capital)

Background Papers: None
Wards Affected: All