

WEST DUNBARTONSHIRE COUNCIL
Report by the Strategic Lead Resources
Corporate Services Committee – 11 November 2020

**Subject: Corporate Services Budgetary Control Report to 30 September 2020
(Period 6)**

1. Purpose

1.1 The purpose of this report is to advise the Committee on the performance of the Corporate Services budget for the period to 30 September 2020.

2. Recommendations

2.1 Members are asked to:

- i) note that the revenue account currently shows a projected annual favourable variance of £0.362m (1.13% of the total budget) of which £0.092m is covid related; and
- ii) note that the capital account is showing a projected in-year underspend of £1.743m (51.4% of in-year budget) due to 8 projects showing projected underspends as a result of delays to these projects caused by Covid 19 restrictions. The project life projection is currently showing a projected underspend of £0.340m (2.1% of project life budget).
- iii) note the progress on efficiencies incorporated into budgets for 2020/21.

3. Background

3.1 Revenue Budget

At the meeting of West Dunbartonshire Council on 4 March 2020, Members agreed the revenue estimates for 2020/21.

A total net budget of £21.135m was approved for services under the remit for Corporate Services at that time. Adjustments have been made since that date and the revised budget now under the remit of Corporate Services is £31.967m as detailed in the following table:

Description	£m
Budget Agreed March 2020	21.135
Transfer of Post to Building Services	-0.024
Redeterminations of Revenue Support Grant	0.050
Budget to cover additional Microsoft Licences	0.017
Procurement Savings	-0.009

FOM/SOM exercise	0.084
Transfer CCSF Facilities saving to MISC Services	0.130
Net adjustments re Covid	-0.705
Annual recurring variances exercise	-0.350
Transfer of budgets for other CCCF Services	11.639
	31.967

Covid 19 Related Budget Adjustments

3.2 The completion of an exercise to identify spend which is controllable by services (such as conference fees, purchase of tools & equipment and transport) has resulted in movement of budget worth a net £0.705m between services and the Contingency fund. This has transferred some favourable variances which were reported by services previously to the contingency fund and will alleviate some of the additional spend pressure being identified due to Covid-19.

3.3 Capital Budget

At the meeting of Council on 4 March 2020, Members also agreed the updated 10 year General Services Capital Plan for 2020/21 to 2029/30. The next three years from 2020/21 to 2022/23 have been approved in detail with the remaining 7 years being indicative at this stage. The total project life budget approved for projects that have either commenced or are due to commence in that period total for Corporate Services was £15.922m.

4. Main Issues

Revenue Budget

4.1 The summary report at Appendix 1 identifies a projected annual favourable variance (underspend) of £0.362m (1.13% of the total budget), offset by £0.092m due to the currently projected impact of covid, the underlying favourable variance is therefore £0.454m. (1.42%). The covid impact projection is based upon a range of assumptions as to how services will restart over the remainder of this financial year. Detailed service reports are attached as Appendix 2.

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

4.3 Although the report indicates that expenditure is favourable in comparison to that anticipated during the budget exercise, the present variance should be viewed in the knowledge that there are a number of variable factors which could arise between now and 31 March and which could affect the year end results.

Capital Budget

- 4.4 Appendices 5 to 8 highlight 12 projects as showing an in-year underspend and 10 projects on target. The overall Corporate Services programme summary report at Appendix 5 shows that there is a projected £1.743m (10.7% of the total programmed budget) to be re-phased in future years.

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

Project	Variance £m
Glencairn House	(0.300)
Heritage Capital Fund	(0.510)

5. People Implications

- 5.1 There are no people implications.

6. Financial and Procurement Implications

- 6.1 Other than the financial position noted above, there are no financial or procurement implications from this budgetary control report.
- 6.2 Agreed management adjustments for 2020/21 are monitored with current indications being that the saving of £0.143m will be achieved (see Appendix 4).

7. Risk Analysis

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

8. Equalities Impact Assessment (EIA)

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

9. Consultation

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

10. Strategic Assessment

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

Stephen West
Strategic Lead Resources

Date: 25 October 2020

Person to Contact: Adrian Gray, Finance Business Partner
Council Offices, 16 Church Street, Dumbarton
Telephone: (01389) 737838
E-mail: adrian.gray@west-dunbarton.gov.uk

Appendices:

- Appendix 1 - Revenue Budgetary Control 2020/21
– Summary Report
- Appendix 2 - Revenue Budgetary Control 2020/201
– Service Reports
- Appendix 3 - Analysis of Revenue Variances over
£50,000
- Appendix 4 - 2020/21 Efficiencies Monitoring
- Appendix 5 - Overall Capital Programme Summary
Financials
- Appendix 6 - Capital Programme – Red Status
- Appendix 7 - Capital Programme – Amber Status
- Appendix 8 - Capital Programme – Green Status

Background Papers:

Ledger output – Period 6
General Services Revenue Estimates 2020/21 – Council 4
March 2020
General Services Capital Strategy 2020/21 to 2029/30 -
Council 4 March 2020

Wards Affected All Wards