

WEST DUNBARTONSHIRE COUNCIL**Report by Chief Officer - Resources****Infrastructure, Regeneration & Economic Development Committee:
17 August 2022**

Subject: Infrastructure, Regeneration & Economic Development Budgetary Control Report 2022/23 to Period 3 (30 June 2022)

1. Purpose

- 1.1** This report provides an update on the financial performance to 30 June 2022 of those services under the auspices of the Infrastructure, Regeneration & Economic Development Committee (IRED).

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 £0.486m (4.00%) at the year-end, of which £0.064m is COVID-19 related, therefore the non-covid variance is currently projected at £0.422m adverse;
- ii) note the net projected annual position in relation to relevant capital projects which is highlighting a projected variance of £1.962m (1.09%) due to slippage of £1.971m (1.10%) and an underspend of £0.009m (0.001%).
- iii) note the progress on efficiencies incorporated into budgets for 2022/23; and
- iv) note the projects to be accelerated.

3. BackgroundRevenue

- 3.1** At the meeting of West Dunbartonshire Council on 9 March 2022, Members agreed the revenue estimates for 2022/23. A total net budget of £12.891m was approved for IRED services.

Capital

- 3.2** At the meeting of Council on 9 March 2022, Members also agreed the updated 10 year General Services Capital Plan for 2022/2023 to 2031/2032. The next three years from 2021/22 to 2023/24 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 £179.698m.

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. Of the 13 services monitored 7 are showing either a favourable or nil variance, with 6 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.
- 4.2** Appendix 1 shows the probable outturn for the services at £13.305m. As the annual budget is £12.819m there is currently a projected adverse variance for the year of £0.486m, of which £0.064m is COVID-19 related, therefore the non-covid variance is currently projected at £0.422m adverse.
- 4.3** Officers will continue to manage the budgets as closely as possible throughout the year and it is hoped that by tight budgetary control expenditure may be brought in on line.

Capital Budget

- 4.4** The overall programme summary report is shown in Appendix 4. Information on projects in the red category for probable underspends or overspends in-year and in total is provided in Appendices 5 together with additional information on action being taken to minimise or mitigate slippage and/or overspends where possible and detail on projects within the green category are shown in Appendix 6. The analysis shows that for the in-year planned spend there is currently a projected in-year variance of £1.962m of which £1.971m relates to project slippage and an in-year underspend of £0.009m. Officers review regularly the in-year position to consider options to maximise the effective use of capital resources
- 4.5** From the analysis within the appendices it can be seen that there is one project with forecast slippage over £0.500m, as listed as follows:

Project Name	Slippage (£m)
Bus Cycling and Walking Infrastructure	0.552

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.
- 7.2** Assumptions around service demand and timing of nationally agreed changes through the phasing out of lockdown change regularly and therefore there is a significant risk that the projected year end budgetary position will change from that reported.

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: 21 July 2022

Person to Contact: Jackie Thomson - Business Unit Finance Partner, 16 Church Street, Dumbarton, G81 1QL.
e-mail jackie.nicol-thomson@west-dunbarton.gov.uk

Appendices: Appendix 1 - Summary Budgetary Position (Revenue)
Appendix 2– Detailed Budgetary Position (Revenue)

Appendix 3 – Variance Analysis (Revenue)
Appendix 4 – Budgetary Position (Capital)
Appendix 5 – Variance Analysis Red Status (Capital)
Appendix 6 - Variance Analysis Green (Capital)

Background Papers: None
Wards Affected: All