

FINANCIAL RESOURCES SCRUTINY FORUM

Minutes of meeting held via Microsoft Teams on 9 December 2021

Chair:

Councillor Monique McAdams

Councillors Present:

Councillor Walter Brogan, Councillor Mary Donnelly, Councillor Grant Ferguson, Councillor Eric Holford, Councillor Jared Wark

Councillors' Apologies:

Councillor Archie Buchanan, Councillor Janine Calikes, Councillor Martin Lennon

Attending:

Finance and Corporate Resources

G Cochran, Administration Assistant; C Lyon, Administration Officer; L O'Hagan, Finance Manager (Strategy); J Taylor, Head of Finance (Strategy)

Housing and Technical Resources

D Craig, Property Manager (Commercial)

1 Declaration of Interests

No interests were declared.

2 Minutes of Previous Meeting

The minutes of the meeting of the Financial Resources Scrutiny Forum held on 11 November 2021 were submitted for approval as a correct record.

The Forum decided: that the minutes be approved as a correct record.

3a Capital Budget Monitoring 2021/2022– General Fund Capital Programme

A report dated 23 November 2021 by the Executive Director (Finance and Corporate Resources) was submitted on the position of the General Fund Capital Programme 2021/2022 for the period 1 April to 8 October 2021 (Period 7).

The revised programme for the General Fund Capital Programme for 2021/2022 totalled £78.310 million, as detailed in Appendix B to the report. The revised programme, agreed by the Executive Committee on 1 December 2021, included adjustments totalling a net decrease of £5.167 million, as outlined in Appendix A to the report.

£2.295 million of the £5.167 million reduction in the programme related specifically to market conditions. Given that this was unlikely to change in the foreseeable future, there could be further slippage in the 2021/2022 programme. This would continue to be monitored and a revised position would be presented to a future meeting of this Forum, if required.

Budget for the period was £26.778 million and spend to 8 October 2021 was £26.374 million, an underspend of £0.404 million. A full breakdown was detailed in Appendix C to the report. Actual funding received at 8 October 2021 was £54.853 million.

The programme spend and funding for the General Fund was summarised in appendices B to D to the report.

The physical progress achieved with the General Fund Capital Programme 2021/2022 at 8 October 2021 was detailed in appendices E to G to the report.

The Forum decided: that the position on the General Fund Capital Programme as at 8 October 2021 be noted.

[Reference: Minutes of 11 November 2021 (Paragraph 3a) and Minutes of the Executive Committee of 1 December 2021 (Paragraph 4)]

3b Capital Budget Monitoring 2021/2022 – Housing Capital Programme

A report dated 23 November 2021 by the Executive Director (Finance and Corporate Resources) was submitted on the position of the Housing Capital Programme 2021/2022 for the period 1 April to 8 October 2021 (Period 7).

The revised Housing Capital Programme for 2021/2022 totalled £79.640 million and spend to 8 October 2021 totalled £37.431 million which represented an underspend of £0.086 million, as detailed in Appendix A to the report.

The physical progress achieved with the Housing Capital Programme 2021/2022 at 8 October 2021 was detailed in Appendix B to the report.

As previously reported, the timescales for some projects within the Housing Investment Programme (HIP) had changed and the financial programme had been amended to reflect those changes. The impact of material shortages and price increases would continue to be monitored.

Any significant increases in contract values for the Housing Capital Programme would be brought to members' attention.

The Forum decided: that the position on the Housing Capital Programme as at 8 October 2021 be noted.

[Reference: Minutes of 11 November of 2021 (Paragraph 3b) and Minutes of the Executive Committee of 1 December 2021 (Paragraph 4)]

4 Revenue Budget Monitoring – 2021/2022

A report dated 1 December 2021 by the Executive Director (Finance and Corporate Resources) was submitted on the overall financial position of the Council's General Fund Revenue Account and the Housing Revenue Account for the period 1 April to 8 October 2021 (Period 7).

The revised total funding in relation to cost pressures which were attributable to COVID-19 amounted to £59.661 million, of which £27.402 million was specific funding, which left £32.259 million to meet other COVID cost pressures. The updated cost position showed an estimated £18.649 million of spend to be met from this funding in 2021/2022. A breakdown of the Cost of Recovery position was detailed in Appendix 2 to the report.

The total COVID net expenditure, before funding, at 8 October 2021 amounted to £17.871 million. This was an increase of £3.855 million on the previously reported figure. Those costs were partially offset by specific funding of £13.043 million, leaving costs of £4.828 million to be met from the non-specific funding. A full breakdown of the position to 8 October 2021 was provided in Appendix 3 to the report.

At 8 October 2021, the position on the General Fund Revenue Account was an overspend of £0.146 million, as detailed in Appendix 1 to the report.

The Housing Revenue Account showed a breakeven position at 8 October 2021, as detailed in Appendix 4 to the report.

The Forum decided:

- (1) that the net overspend of £0.146 million on the General Fund Revenue Account at 8 October 2021, after COVID-19 spend and funding, be noted;
- (2) that the total net expenditure of £4.828 million, after specific funding in relation to COVID-19, offset by Government Grant included in the Council's position as at 8 October 2021, be noted;
- (3) that the updated COVID-19 position for 2021/2022 be noted; and
- (4) that the breakeven position on the Housing Revenue Account at 8 October 2021 be noted.

[Reference: Minutes of 11 November 2021 (Paragraph 4) and Minutes of the Executive Committee of 1 December 2021 (Paragraph 3)]

5 Revenue Budget Monitoring 2021/2022 – Detailed Resource Analysis

A report dated 1 December 2021 by the Executive Director (Finance and Corporate Resources) was submitted comparing actual expenditure against budgeted expenditure for the period 1 April to 8 October 2021 (Period 7).

Appendices A to F to the report provided the following information for each Resource and the Housing Revenue Account:-

- ◆ an Executive Summary showing the top level position for each of the Services within the Resource and the Housing Revenue Account as at 8 October 2021
- ◆ details of the most significant variances within Resources and the Housing Revenue Account across subjective headings and across Services as at 8 October 2021
- ◆ a line by line trend analysis of the total Resources' expenditure and income across subjective headings as at 8 October 2021

The Forum decided: that the position as at 8 October 2021 (Period 7) be noted.

[Reference: Minutes of 11 November 2021 (Paragraph 5)]

6 Urgent Business

There were no items of urgent business.