

FINANCIAL RESOURCES SCRUTINY FORUM

Minutes of meeting held via Microsoft Teams on 18 March 2021

Chair:

Councillor Monique McAdams

Councillors Present:

Councillor Walter Brogan, Councillor Janine Calikes, Councillor Grant Ferguson, Councillor Eric Holford, Councillor Jared Wark

Councillors' Apologies:

Councillor Archie Buchanan, Councillor Mary Donnelly, Councillor Martin Lennon

Attending:

Finance and Corporate Resources

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 18 February 2021 were submitted for approval as a correct record.

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

3 Capital Budget Monitoring 2020/2021– General Fund Capital Programme

A report dated 2 March 2021 by the Executive Director (Finance and Corporate Resources) was submitted on the position of the General Fund Capital Programme 2020/2021 at 29 January 2021 (Period 11).

The revised programme for the General Fund Capital Programme for 2020/2021 totalled £80.648 million, as agreed by the Executive Committee on 10 February 2021. This included budget for COVID-19 costs of £7.891 million. No new adjustments had been proposed to the Executive Committee on 10 March 2021.

Work had been ongoing to clarify the predicted spend position for the General Services Capital Programme for this financial year and this had been broken down into 2 specific elements. The costs associated with COVID-19 and the Resource position, excluding the costs of COVID-19. In summary, excluding the costs of COVID-19, there was an expected underspend of £7 million, which was linked to the anticipated timing of project spend. A list of the main projects responsible for this underspend were detailed in Appendix D to the report, along with their anticipated completion dates.

The Capital Programme included an element of budget for capital costs associated with COVID-19 spend, estimated at £7.891 million. Current estimates were anticipated at £6.6 million and included £4.6 million of costs from Property Services, £1.4 million of contractor claim costs and £0.6 million relating to Education projects. As a result, there was £1.291 million of budget available to support further COVID-19 costs if required.

Removing the budget and costs associated with COVID-19, the current estimates from Housing and Technical Resources suggested an outturn of £65.7 million, against a budget of £72.757 million, excluding COVID-19 costs, across Resources, leaving an underspend of £7 million. This underspend related mainly to timing of spend and resulted in budget required in 2021/2022 rather than 2020/2021, as detailed in Appendix D of the report. Those reductions had been offset by an additional £0.5 million spend projected for Cambuslang Park and Ride.

At 1 January 2021, £45.575 million had been spent and actual funding received to 29 January 2021 was £63.057 million, as detailed in Appendix C to the report.

The physical progress achieved with the General Fund Capital Programme 2020/2021 at 1 January 2021 was detailed in Appendices E to G of the report.

Councillor Ferguson requested details on the new website projects, and highlighted that the use of acronyms, for example MDM, was unhelpful and should not be used in reports submitted to this Forum. Officers agreed to obtain this information on the projects and feed back to Councillor Ferguson.

The Forum decided: that the position as at 29 January 2021 be noted.

[Reference: Minutes of 18 February 2021 (Paragraph 3a) and Minutes of the Executive Committee of 10 March 2021 (Paragraph 4)]

4 Capital Budget Monitoring 2020/2021 – Housing Capital Programme

A report dated 2 March 2021 by the Executive Director (Finance and Corporate Resources) was submitted on the position of the Housing Capital Programme 2020/2021 at 29 January 2021 (Period 11).

The revised Housing Capital Programme for 2020/2021 totalled £48.172 million and spend to 29 January 2021 totalled £31.578 million. This was an underspend of £0.148 million and reflected the timing of spend. Actual funding received was £31.578 million, as detailed in Appendix A to the report.

Current estimates suggested an outturn of £48.172 million on the Housing Capital Programme.

The physical progress achieved with the Housing Capital Programme 2020/2021 at 29 January 2021 was detailed in Appendix B to the report.

Councillor Holford requested details of the land sales referred to in Appendix A to the report. Officers agreed to obtain this information and feed back to Councillor Holford.

The Forum decided: that the position as at 29 January 2021 (Period 11) be noted.

[Reference: Minutes of 18 February 2021 (Paragraph 3b) and Minutes of the Executive Committee of 10 March 2021 (Paragraph 4)]

5 Revenue Budget Monitoring – 2020/2021

A report dated 10 March 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 as at 1 January 2021, along with a projection for the year to 31 March 2021.

As part of the probable outturn exercise, a revised COVID-19 Cost of Recovery position had been prepared, as detailed in Appendix 1 to the report. Whilst the costs associated with COVID-19 had been refined, the net cost of COVID-19 remained at £4.657 million. After taking into account the Loss of Income funding from the Scottish Government of £2.755 million, there was a revised shortfall of £1.902 million.

The probable outturn position for the Council, including the COVID-19 shortfall of £1.902 million, showed a forecast underspend of £25.124 million, before transfers to Reserves. After taking account of the proposed transfers to Reserves totalling £24.836 million, as detailed in Appendix 4 to the report, the outturn position was an underspend of £0.261 million, as detailed in Appendix 3a to the report.

As at 29 January 2021, the position on the General Fund (including COVID-19 spend and income) before transfers to reserves was an underspend of £10.340 million. Assuming the approval of the proposed transfers to reserves, there was an underspend of £2.213 million, which was mainly due to the over recovery of Council Tax.

The figures showed a breakeven position on the Housing Revenue Account at 29 January 2021. The forecast to 31 March 2021 on the Housing Revenue Account was a breakeven position.

The Forum decided:

- (1) that the COVID-19 shortfall of £4.657 million, the additional Loss of Income funding of £2.755 million and the revised COVID-19 shortfall of £1.902 million be noted;
- (2) that including Resources, Corporate Items and Council Tax, the Council's revised outturn of an underspend of £0.261 million, including the updated COVID-19 shortfall, be noted;
- (3) that the underspend of £2.213 million on the General Revenue Fund Account, after transfers, at 29 January 2021 be noted; and
- (4) that the breakeven position on the Housing Revenue Account at 29 January 2021 and the forecast to 31 March 2021 of a breakeven position be noted.

[Reference: Minutes of 18 March 2021 (Paragraph 4)]

Councillor Brogan entered the meeting during this item of business

6 Revenue Budget Monitoring 2020/2021 – Detailed Resource Analysis

A report dated 10 March 2021 by the Executive Director (Finance and Corporate Resources) was submitted comparing actual expenditure against budgeted expenditure for the period ending 29 January 2021 (Period 11).

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 29 January 2021 (Period 11)

- ◆ details of the most significant variances within Resources and the Housing Revenue Account across subjective headings and across Services as at 29 January 2021 (Period 11)
- ◆ a line by line trend analysis of the total Resources' expenditure and income across subjective headings as at 29 January 2021 (Period 11)

The Forum decided: that the position as at 29 January 2021 (Period 11) be noted.

[Reference: Minutes of 18 February 2021 (Paragraph 5)]

7 Urgent Business

There were no items of urgent business.