

Commentary on Net Capital Expenditure Against Budget

A commentary on the significant areas of variance between budget and actual for each council directorate is outlined below:

Directorate / Division	Net Under / (Over)spend £m	Significant Areas of Under / (Over)spend (Net)
Chief Executives	0.101	<ul style="list-style-type: none"> Tourism projects (Economic Development) – Priorities revisited to free up funding for Digitalisation of Business Units project. Touch screen visitor units currently being trialled and will not be rolled out until 2016/17.
Communities (General Fund)	4.363	<ul style="list-style-type: none"> Vehicle Replacement Programme (RPPS) – Programme slipped due to Tayside Contracts not procuring vehicles to agreed timescales. Vehicle Workshop & Associated Facilities (RPPS) – Start date delayed due to staff turnover issues in design team. Provision for Zero Waste Implementation (RPPS) – Spend not achieved due to later than anticipated submission of planning application and no land purchase has taken place. Carnoustie Pitches Development (S2C) – Development delayed whilst awaiting outcome of funding application. Brechin Flood Prevention Scheme (TAPS) – known slippage into 2016/17 on construction programme.
People	(1.187)	<ul style="list-style-type: none"> Arbroath Schools Project, Phase 1 (Schools & Learning) – expenditure in respect of Timmergreens Primary School ahead of schedule. Brechin High School Community Campus – good project progress resulting in expenditure advanced from 2016/17 as well as switch of SportsScotland grant to the Forfar Community Campus project to be applied in 2016/17. Information & Communications Technology Equipment – slippage due to delays in rural school broadband programme. Pre-School and Free School Meals programmes – general slippage in the delivery of these programmes as well as an injection of revenue funding from Children & Young People.
Resources	0.219	<ul style="list-style-type: none"> Provision for Transforming Angus / Estate Rationalisation (Transforming Angus) – Expenditure rephased in line with TA programme.
Total General Fund Underspend	3.496	
Communities (Housing)	(0.324)	<ul style="list-style-type: none"> Heating Replacement – overspend as a result of acceleration of the overall programme of works to deliver benefits earlier to tenants. Window Replacement & Energy Savings Programmes – underspend as a result of slower than planned progress on these programmes. Footpath resurfacing – overspend as a result of acceleration of the overall programme.
Total Underspend	3.172	

Commentary Against Last Projected Outturn

The most recent projected outturn for 2015/16 based on February 2016 ledgers showed an anticipated underspend on a net basis for General Fund services of £2.369 million (report 172/16 refers). The actual underspend of £3.496 million at the year end shows an increase in the underspend of £1.127 million from the previously reported position.

With regard to Housing, the December 2015 position presented to the Rent setting meeting on 9 February 2016, showed a projected underspend on a net basis of £0.424 million (report 45/16 refers). The actual overspend of £0.324 million at the year end shows a movement of £0.748 million from the previously reported underspend position.

The more significant movements which have arisen when comparing actual expenditure to the outturns noted in reports 172/16 and 45/16 include:

Directorate / Division	Movement in Underspend £m	Commentary
Communities – Technical & Property Services	1.324	Brechin Flood Prevention Scheme – monitoring position critically reviewed late in the financial year.
People – Schools & Learning	(0.522)	Forfar Academy Community Campus – projected underspend decreased as SportScotland funding slipped into 2016/17.
Communities - Housing	(0.748)	Largely as a result of the programme accelerations noted above and financial adjustments to cover outstanding gas utility payments on the heating programme.