

Commentary on Net Capital Expenditure Against Budget 2016/17

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	0.002	No significant over / underspends
Communities (General Fund)	1.806	<ul style="list-style-type: none"> • Zero Waste Implementation (Regulatory & Protective Services) – delays with planning process and purchase of land. • General Vehicle Replacement Programme (Regulatory & Protective Services) – some vehicles not received prior to 31 March deadline. • Arbroath Flood Strategy (Technical & Property Services) – expenditure re-profiled in line with anticipated Scottish Government grant funding. Procurement for construction works to commence in 2017. • Flooding Works (Technical & Property Services) – lack of staff resources available to progress works quickly, as well as delays due to restrictions from regulatory bodies.
Children & Learning	0.595	<ul style="list-style-type: none"> • Arbroath Schools Project – Phases 2 & 3a (Schools & Learning) –delays in programming and Hubco's phasing of fees. • Brechin High School Community Campus (Schools & Learning) – fees / works still outstanding which will be dealt with as part of final account settlement. • Forfar Academy Community Campus (Schools & Learning) – Sports Scotland and Common Good funding slipped into 2017/18. • Children & Young People Services – Expansion of Pre-School Provision (Schools & Learning) – works put on hold until School Investment Strategy is finalised.
Adult Services (Integrated Joint Board)	0.208	<ul style="list-style-type: none"> • Community Meals Hub at County Buildings (Adult Services – Integrated Joint Board) – project delayed due to the discovery of bats at County Buildings.
Resources	(0.322)	<ul style="list-style-type: none"> • Provision for Agile Angus / Estates Review (Transforming Angus) – main contract expenditure progressing faster than anticipated.
General Fund Underspend	2.289	
Communities (Housing)	2.137	<ul style="list-style-type: none"> • New Build Programme – slippage in the programme at Chapelpark, Forfar • Heating Replacement Programme – reduction in the number of replacements completed • Energy Savings Programme – delayed roof replacement and external wall insulation at Dorran Houses due to delayed achievement of building warrants • Bathroom Replacement Programme – reduction in the number of replacements completed
Total Underspend	4.426	

Commentary Against Last Projected Outturn

General Fund - The most recent projected outturn for 2016/17 based on January 2017 ledgers showed an anticipated underspend on a net basis for General Fund services of £2.046 million (report 119/17 refers). The actual underspend of £2.289 million at the year end shows an increase in the underspend of £0.243 million from the previously reported position.

Housing - With regard to Housing, the December 2016 position showed a projected underspend on a net basis of £1.704 million (report 69/17 refers). The actual underspend of £2.137 million at the year end shows an increase in the underspend of £0.433 million from the previously reported position.

The more significant movements which have arisen when comparing actual expenditure to the outturns noted in reports 119/17 and 69/17 include:

Directorate / Division	Movement in Outturn £m	Commentary
Communities – Regulatory & Protective Services	(0.173)	Movement brought about by reclassification of spend intended to be met from R&R Fund brought about by 2017/18 capital budget resourcing exercise. Offset to a degree by vehicles not being delivered prior to year end.
Children & Learning – Schools & Learning	0.479	Expenditure lower than anticipated on Arbroath Schools (Phases 2 & 3a), Brechin Community Campus and Expansion of Pre-School Provision. Offset to a degree by overspend on Forfar Community Campus (due to rephasing of grant income).
Adult Services (IJB)	0.163	Expenditure lower due to discovery of bats at County Buildings where Community Meals Hub is being created.
Communities - Housing	0.433	Largely as a result of: the reduced number of heating and bathroom replacements noted above; and the Dorran Houses roof replacement and insulation delays; offset to some degree by better than anticipated progress on some new build projects.