

Report To: Education & Communities Committee **Date:** 23 January 2018

Report By: Chief Financial Officer and Corporate Director Education, Communities and Organisational Development **Report No:** FIN/104/17/AP/IC

Contact Officer: Iain Cameron **Contact No:** 01475 712832

Subject: Communities 2017/18 Revenue Budget Report- Period 7 to 31 October 2017

1.0 PURPOSE

- 1.1 To advise the Committee of the 2017/18 Revenue Budget position as at Period 7 to 31 October 2017.

2.0 SUMMARY

- 2.1 The total Communities budget for 2017/18, excluding Earmarked Reserves, is currently £8,560,750. This is a decrease of £43,510 from the approved budget. Appendix 1 provides details of this movement. The latest projection is an underspend of £67,000 which is a decrease in expenditure of £47,000 since the last Committee.
- 2.3 The main variances to highlight for the 2017/18 Revenue Budget are –
- (a) Projected underspend of £44,000 for Safer Communities employee costs due to vacant posts within the Service. There is no change to this projection since the last Committee.
 - (b) Projected underspend of £20,000 for Housing employee costs due to vacant posts within the Service. There is no change to this projection since the last Committee.
 - (c) Projected overspend of £65,000 for CCTV line rental due to delay in tendering process for new contract.
 - (d) Projected underspend of £23,000 for Environmental Health sampling.
 - (e) Projected underspend of £29,000 for Letting Officers within Community Halls.
 - (f) Projected underspend of £15,000 for Community Halls Waivers following approval of the virement requested in paragraph 7.1 and Appendix 5.
- 2.4 Earmarked Reserves for 2017/18 total £2,862,000 of which £1,141,000 is projected to be spent in the current financial year. To date expenditure of £214,000 (18.8%) has been incurred. The spend to date per profiling was expected to be £225,000, therefore there is slippage of £11,000 or 4.9%.

3.0 RECOMMENDATIONS

- 3.1 That the Committee notes the current projected underspend of £67,000 for the 2017/18 Revenue Budget as at Period 7 to 31 October 2017.
- 3.2 That the Committee approves the virement of £30,000 as detailed in Paragraph 7.1 and Appendix 5.

Alan Puckrin
Chief Financial Officer

Wilma Bain
Corporate Director Education, Communities
and Organisational Development

4.0 BACKGROUND

- 4.1 The purpose of this report is to advise the Committee of the current position of the 2017/18 Revenue Budget as at Period 7 to 31 October 2017 and highlight the main variances contributing to the projected underspend of £67,000.

5.0 2017/18 PROJECTION

- 5.1 The current Communities budget for 2017/18 is £8,560,750. This is a decrease of £43,510 from the approved Revenue Budget. Appendix 1 provides details of the budget movements responsible for this decrease.

- 5.2 The main issues to highlight in relation to the projected underspend of £67,000 for the 2017/18 Revenue Budget are :-

Libraries & Museum: Projected Overspend £17,000

An overspend of £23,000 for Libraries, mainly due to the non-achievement of Employee turnover savings, is partially offset by an underspend for the Museum due to savings associated with the ongoing refurbishment work.

Safer Communities: Projected Underspend £16,000

Employee Costs are projected to underspend by £44,000 due to a number of vacant posts within the Service.

CCTV Line Rental costs are projected to overspend by £65,000 due to delays in the tender process.

The Environmental Health sampling budget, which is demand lead, is projected to underspend by £23,000.

A number of minor variances make up the balance of the projected underspend.

Housing: Projected Underspend £19,000

The Housing Employee Costs budget is projected to underspend by £20,000 due to a number of vacant posts within the Service.

Community Halls: Projected Underspend £49,000

Letting Officer costs are projected to underspend by £29,000 primarily due to vacancies. This underspend is in addition to £51,000 already returned to the Policy & Resources Committee as a budget saving in Period 5 2017/18.

Following approval of the virement requested in paragraph 7.1 and Appendix 5, the Halls Waivers budget will be reduced to £80,000 and the latest projection is an underspend of £15,000. The School Lets Income budget will be reduced to £128,000 and the latest projection is on budget.

6.0 EARMARKED RESERVES

- 6.1 Earmarked Reserves for 2017/18 total £2,862,000 of which £1,141,000 is projected to be spent in the current financial year. To date expenditure of £214,000 (18.8%) has been incurred. The spend to date per profiling was expected to be £225,000, therefore there is slippage of £11,000 or 4.9%.

7.0 VIREMENTS

7.1 The Committee is asked to approve the virement detailed in Appendix 5. The Community Halls Waivers budget will be reduced by £30,000 and used to fund the shortfall in School Lets Income.

8.0 IMPLICATIONS

8.1 Finance

All financial implications are discussed in detail within the report above.

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report £000	Virement From	Other Comments
N/A					

Annually Recurring Costs / (Savings)

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report £000	Virement From	Other Comments
N/A					

8.2 Legal

There are no specific legal implications arising from this report.

8.3 Human Resources

There are no specific human resources implications arising from this report.

8.4 Equalities

There are no equalities issues within this report.

8.5 Repopulation

There are no repopulation issues within this report.

9.0 CONSULTATION

9.1 The paper has been jointly prepared by the Chief Financial Officer and the Corporate Director Education, Communities and Organisational Development.

10.0 BACKGROUND PAPERS

10.1 There are no background papers for this report.

Communities Budget Movement - 2017/18

Period 7 - 1st April 2017 to 31st October 2017

Service	Approved Budget	Movements			Transferred to EMR £000	Revised Budget 2017/18 £000
	2017/18 £000	Inflation £000	Virement £000	Supplementary Budgets £000		
Libraries & Museum	1,485	16	(8)	4		1,497
Sport & Leisure	1,687		(138)			1,549
Safer Communities	3,373	39		12		3,424
Housing	690	2		1	(50)	643
Community Halls	1,126	3	74	1		1,204
Grants to Voluntary Organisations	243		1			244
Totals	8,604	60	(71)	18	(50)	8,561

Movement Details

External Resources

Inflation

Pay Award

60

60

Virement

GTVO for Building Rent - from Env & Regen

Letting Officers Saving - to P&R

Comm Hubs Birkmyre CFCR - to Capital

NDR Virement - to P&R

1

(50)

(14)

(8)

(71)

Supplementary Budget

Apprentice Levy

18

18

7

COMMUNITIESREVENUE BUDGET MONITORING REPORTMATERIAL VARIANCESPeriod 7 -1st April 2017 to 31st October 2017

<u>Out Turn</u> <u>2016/17</u> <u>£000</u>	<u>Budget</u> <u>Heading</u>	<u>Budget</u> <u>2017/18</u> <u>£000</u>	<u>Proportion</u> <u>of Budget</u>	<u>Actual to</u> <u>31-Oct-17</u> <u>£000</u>	<u>Projection</u> <u>2017/18</u> <u>£000</u>	<u>(Under)/Over</u> <u>Budget</u> <u>£000</u>	<u>Percentage</u> <u>Over / (Under)</u>
	Safer Communities						
2,774	Employee Costs	2,991	1,636	1,598	2,947	(44)	(1.5%)
132	CCTV Line Rental	45	26	55	110	65	144.4%
64	Environ Health Sampling	90	68	47	67	(23)	(25.6%)
	Housing						
238	Employee Costs	165	91	70	145	(20)	(12.1%)
	Community Halls						
0	Letting Officers	129	54	0	100	(29)	(22.5%)
Total Material Variances						(51)	

COMMUNITIES**REVENUE BUDGET MONITORING REPORT****CURRENT POSITION****Period 7 - 1st April to 31st October 2017**

2016/17 Actual £000	Subjective Heading	Approved Budget 2017/18 £000	Revised Budget 2017/18 £000	Projected Out-turn 2017/18 £000	Projected Over/(Under) Spend £000	Percentage Over/(Under)
4,238	Employee Costs	4,274	4,354	4,292	(62)	(1.4%)
656	Property Costs	891	898	857	(41)	(4.6%)
1,700	Supplies & Services	1,553	1,538	1,540	2	0.1%
36	Transport Costs	35	35	36	1	2.9%
255	Administration Costs	85	84	142	58	69.0%
4,144	Other Expenditure	2,170	2,115	2,075	(40)	(1.9%)
(2,453)	Income	(404)	(413)	(398)	15	(3.6%)
8,576	TOTAL NET EXPENDITURE	8,604	8,611	8,544	(67)	(0.8%)
	Earmarked Reserves	0	(50)	(50)	0	
	TOTAL NET EXPENDITURE excluding Earmarked Reserves	8,604	8,561	8,494	(67)	

2016/17 Actual £000	Objective Heading	Approved Budget 2017/18 £000	Revised Budget 2017/18 £000	Projected Out-turn 2017/18 £000	Projected Over/(Under) Spend £000	Percentage Over/(Under)
1,510	Libraries & Museum	1,485	1,497	1,514	17	1.1%
1,706	Sports & Leisure	1,687	1,549	1,549	0	-
3,355	Safer Communities	3,373	3,424	3,408	(16)	(0.5%)
593	Housing	690	693	674	(19)	(2.7%)
1,160	Community Halls	1,126	1,204	1,155	(49)	(4.1%)
252	Grants to Vol Orgs	243	244	244	0	-
8,576	TOTAL COMMUNITIES	8,604	8,611	8,544	(67)	(0.8%)
	Earmarked Reserves	0	(50)	(50)	0	

EARMARKED RESERVES POSITION STATEMENT

COMMITTEE: Communities

Project	Lead Officer/ Responsible Manager	Total Funding 2017/18 £000	Phased Budget To 31/10/17 2017/18 £000	Actual To 31/10/17 2017/18 £000	Projected Spend 2017/18 £000	Amount to be Earmarked for 2018/19 & Beyond £000	Lead Officer Update
Support for Owners	Martin McNab	772	0	0	772	0	Scottish Government approval was granted to c/f funding from previous year. Must be completed by 31/03/18.
Renewal of Clune Park	Martin McNab	1,684	119	152	269	1,415	The projected expenditure relates to Legal Fees and Professional fees for Surveyors and Structural Engineers.
Investment Fund for Council Owned Bowling Clubs	Martin McNab	150	0	0	0	150	Funding allocated to Lady Alice toilets upgrade. Start of project now likely to be delayed due to issues with tenders being received in excess of the agreed budget.
GTVO - Community Ownership	Martin McNab	150	0	0	15	135	Report being prepared on Community Empowerment & areas of spend. September Education & Communities Committee allocated £15k to Auchmountain Volunteer Group to fund Feasibility Study for the Auchmountain Glen Heritage Project.
Summer Playschemes	Martin McNab	56	56	12	35	21	Phased Budget allocated £17k to Play4All and £39k allocated to IL. Payment to IL now expected to be £17k.
Grants to Vol Orgs	Martin McNab	50	50	50	50	0	Spending now complete - allocated to Round 1 claims in April 2017.
Total		2,862	225	214	1,141	1,721	

COMMUNITIES COMMITTEE**VIREMENT REQUESTS**

Budget Heading		Increase Budget	(Decrease) Budget
		£	£
School Lets Income	1	30,000	
Waivers			30,000
		30,000	30,000

Note

1 - Underspend in Waivers budget vired to fund under recovery in School Lets Income