

**Report To:** Education & Communities Committee      **Date:** 22 January 2019

**Report By:** Chief Financial Officer and Corporate Director Education, Communities and Organisational Development      **Report No:** FIN/122/18/AP/IC

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

**Subject:** Communities 2018/19 Revenue Budget Report-Period 7 to 31 October 2018

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## 1.0 PURPOSE

- 1.1 The purpose of this report is to advise the Committee of the 2018/19 Revenue Budget position at Period 7 to 31 October 2018.

## 2.0 SUMMARY

- 2.1 The total Communities Revenue Budget for 2018/19, excluding Earmarked Reserves, is currently £4,581,450. This is a decrease of £68,580 from the approved budget. Appendix 1 provides details of this movement. The latest projection is an overspend of £21,000 which is an increase in expenditure of £8,000 since the last Committee.
- 2.2 The main variances to highlight for the 2018/19 Revenue Budget are –
- (a) Projected overspend of £26,000 for Libraries & Museum which mainly relates to a shortfall in income and additional property costs.
  - (b) Projected overspend of £11,000 for Sports & Leisure. A £21,000 shortfall for Whinhill Golf Course income is partially offset by a £10,000 underspend for Rankin Park mountain bike track maintenance.
  - (c) Projected underspend of £21,000 for Community Halls Employee Costs due to a number of vacant posts.
- 2.3 Earmarked Reserves for 2018/19 total £381,000 of which £196,000 is projected to be spent in the current financial year. To date no expenditure has been incurred. The spend to date per profiling was expected to be £16,000 resulting in slippage of £16,000 due to delays in finalising the invoice for Gourrock Pool extended opening.

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### **3.0 RECOMMENDATIONS**

- 3.1 That the Committee notes the current projected overspend of £21,000 for the 2018/19 Communities Revenue Budget as at Period 7 to 31 October 2018.
- 3.2 That the Committee notes that the projected overspend for the Communities Revenue Budget is being contained within the overall Education & Communities Directorate.

**Alan Puckrin**  
**Chief Financial Officer**

**Ruth Binks**  
**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 2018/19 Communities Revenue Budget as at Period 7 to 31 October 2018 and highlight the main issues contributing to the projected overspend of £21,000.

## **5.0 2018/19 PROJECTION**

- 5.1 The current Communities Revenue Budget for 2018/19 is £4,581,450. This is a decrease of £68,580 from the approved budget. Appendix 1 provides details of the virements responsible for this decrease.
- 5.2 The main issues to highlight in relation to the projected overspend of £21,000 (0.5%) for the 2018/19 Revenue Budget are :-

### Libraries & Museum: Projected Overspend £26,000

The projected overspend for Libraries & Museum has increased by £2,000 since the last Committee. Employee Costs, previously projected to underspend by £3,000 will now overspend by £3,000 as a result of a shortfall in Turnover Savings. A vacant post has been filled earlier than previously projected.

Libraries & Museum Income is projected to under-recover by £16,000, the same as previously reported to Committee. The balance of the projected overspend relates to Property Costs.

### Sports & Leisure: Projected Overspend £11,000

Whinhill Golf Income is projected to under-recover by £21,000, the same as reported to the last Committee. This projected overspend is partially offset by a projected underspend of £10,000 for Rankin Park mountain bike track maintenance.

### Community Safety: Projected Overspend £5,000

Community Safety Employee Costs are projected to underspend by £3,000, a reduction in underspend of £17,000 since the last Committee. The vacancy resulting from a seconded employee not being backfilled is 0.5fte rather than the previously projected 1.0fte.

Internal Transport Recharges for Community Safety are projected to overspend by £8,000, mainly due to unplanned maintenance costs. This is the same as previously reported to Committee.

### Community Halls: Projected Underspend £21,000

The projected underspend for Community Halls is due to the over-recovery of Employee Turnover savings resulting from a number of vacant posts. The projected underspend has increased by £2,000 since the last Committee.

## **6.0 EARMARKED RESERVES**

- 6.1 Earmarked Reserves for 2018/19 total £381,000 of which £196,000 is projected to be spent in the current financial year. To date, no expenditure has been incurred. The spend to date per profiling was expected to be £16,000 resulting in slippage of £16,000 due to delays in finalising the invoice for Gourrock Pool extended opening.

## 7.0 VIREMENTS

7.1 There are no virements in this Committee cycle.

## 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 - 2018/19****Period 7 - 1st April 2018 to 31st October 2018**

Service	Approved Budget	Inflation £000	Virement £000	Movements		Revised Budget
	2018/19 £000			Supplementary Budgets £000	Transferred to EMR £000	2018/19 £000
Libraries & Museum	1,532	3	(18)			1,517
Sport & Leisure	1,239	(33)				1,206
Community Safety	581		(18)			563
Community Halls	1,054		(3)			1,051
Grants to Voluntary Organisations	244					244
Totals	<u>4,650</u>	<u>(30)</u>	<u>(39)</u>	<u>0</u>	<u>0</u>	<u>4,581</u>

**Movement Details**

£000

**External Resources****Inflation**

Electricity & Gas  
Returned to Inflation Contingency

3  
(33)

(33)**Virement**

Additional Turnover  
Management Restructure

(29)  
(10)

(39)**Supplementary Budget**0(72)

**COMMUNITIES****REVENUE BUDGET MONITORING REPORT****MATERIAL VARIANCES****Period 7 -1st April 2018 to 31st October 2018**

<u>Out Turn</u> <u>2017/18</u> <u>£000</u>	<u>Budget</u> <u>Heading</u>	<u>Budget</u> <u>2018/19</u> <u>£000</u>	<u>Proportion</u> <u>of Budget</u>	<u>Actual to</u> <u>31-Oct-18</u> <u>£000</u>	<u>Projection</u> <u>2018/19</u> <u>£000</u>	<u>(Under)/Over</u> <u>Budget</u> <u>£000</u>	<u>Percentage</u> <u>Over / (Under)</u>
18	<b>Community Halls</b> Employee Costs	40	22	15	19	(21)	(52.5%)
(44)	<b>Sport &amp; Leisure</b> Golf Income	(73)	(43)	(49)	(52)	21	(28.8%)
<b>Total Material Variances</b>						<b>0</b>	

**COMMUNITIES****REVENUE BUDGET MONITORING REPORT****CURRENT POSITION****Period 7 - 1st April 2018 to 31st October 2018**

2017/18 Actual £000	Subjective Heading	Approved Budget 2018/19 £000	Revised Budget 2018/19 £000	Projected Out-turn 2018/19 £000	Projected Over/(Under) Spend £000	Percentage Over/(Under)
1,903	Employee Costs	1,727	1,688	1,667	(21)	(1.2%)
682	Property Costs	711	714	718	4	0.6%
1,480	Supplies & Services	1,297	1,297	1,290	(7)	(0.5%)
11	Transport Costs	7	7	15	8	114.3%
85	Administration Costs	72	73	73	0	-
1,407	Other Expenditure	1,135	1,137	1,137	0	-
(291)	Income	(299)	(335)	(298)	37	(11.0%)
5,277	TOTAL NET EXPENDITURE	4,650	4,581	4,602	21	0.5%
	Earmarked Reserves	0	0	0	0	
	TOTAL NET EXPENDITURE excluding Earmarked Reserves	4,650	4,581	4,602	21	

2017/18 Actual £000	Objective Heading	Approved Budget 2018/19 £000	Revised Budget 2018/19 £000	Projected Out-turn 2018/19 £000	Projected Over/(Under) Spend £000	Percentage Over/(Under)
1,542	Libraries & Museum	1,532	1,517	1,543	26	1.7%
1,718	Sports & Leisure	1,239	1,218	1,229	11	0.9%
785	Community Safety	581	563	568	5	0.9%
1,006	Community Halls	1,054	1,039	1,018	(21)	(2.0%)
226	Grants to Vol Orgs	244	244	244	0	-
5,277	TOTAL COMMUNITIES	4,650	4,581	4,602	21	0.5%
	Earmarked Reserves	0	0	0	0	

## EARMARKED RESERVES POSITION STATEMENT

COMMITTEE: Communities

<u>Project</u>	<u>Lead Officer/ Responsible Manager</u>	<u>Total Funding 2018/19</u>	<u>Phased Budget Period 7 2018/19</u>	<u>Actual Period 7 2018/19</u>	<u>Projected Spend 2018/19</u>	<u>Amount to be Earmarked for 2019/20 &amp; Beyond</u>	<u>Lead Officer Update</u>
		<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	
Community Fund	Grant McGovern	365	0	0	180	185	50% of funding to be used in 2018/19 - spent Jan to Mar 2019. PB process commenced August 18 with first awards paid out from January 19 onwards.
Gourock Pool Extension	Grant McGovern	16	16	0	16	0	Funding to extend opening of Gourock Pool until end of September 2018. Awaiting invoice from IL.
<b>Total</b>		<b>381</b>	<b>16</b>	<b>0</b>	<b>196</b>	<b>185</b>	