

Report To: Education & Communities Committee **Date:** 5 November 2019

Report By: Chief Financial Officer and Corporate Director Education, Communities and Organisational Development **Report No:** FIN/095/19/AP/IC

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

Subject: Communities 2019/20 Revenue Budget Report- Period 5 to 31 August 2019

1.0 PURPOSE

- 1.1 The purpose of this report is to advise the Committee of the 2019/20 Revenue Budget position at Period 5 to 31 August 2019.

2.0 SUMMARY

- 2.1 The total Communities Revenue Budget for 2019/20, excluding Earmarked Reserves, is currently £4,510,210. This is an increase of £1,120 from the approved budget. Appendix 1 provides details of this movement. The latest projection is an overspend of £28,000 which is a decrease in expenditure of £8,000 since the last Committee.
- 2.2 The main variances to highlight for the 2019/20 Revenue Budget are –
- (a) Projected overspend of £25,000 for Libraries & Museum which mainly relates to a an overspend on Employee Costs due to non-achievement of Turnover Savings, an underspend in Property Costs and a shortfall in Income.
 - (b) Projected overspend of £8,000 for Sports & Leisure. A £16,000 shortfall for Whinhill Golf Course is partially offset by an £8,000 underspend for Rankin Park mountain bike track maintenance.
 - (c) Projected overspend of £3,000 for Community Safety due to minor variances.
 - (d) Projected underspend of £8,000 for Community Halls. Income from School Lets is projected to over-recover by £10,000 with the balance relating to minor variances.
- 2.3 Earmarked Reserves for 2019/20 total £359,000 all of which is projected to be spent in the current financial year. To date, expenditure of £151,000 (42%) has been incurred. The spend to date per profiling was expected to be £145,000 resulting in expenditure being £6,000 ahead of schedule.

3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Committee notes the current projected overspend of £28,000 for the 2019/20 Communities Revenue Budget as at Period 5 to 31 August 2019.

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 2019/20 Communities Revenue Budget as at Period 5 to 31 August 2019 and highlight the main issues contributing to the projected overspend of £28,000.

5.0 2019/20 PROJECTION

- 5.1 The current Communities Revenue Budget for 2019/20 is £4,510,210. This is an increase of £1,120 from the approved budget. Appendix 1 provides details of the virements responsible for this increase.
- 5.2 The main issues to highlight in relation to the projected overspend of £28,000 (0.6%) for the 2019/20 Communities Revenue Budget are :-

Libraries & Museum: Projected Overspend £25,000

The projected overspend for Libraries & Museum is £25,000, a decrease of £8,000 since last Committee. Employee Costs are projected to overspend by £7,000. This is £13,000 less expenditure than previously reported and is due to a retirement in January 2020 not being replaced this Financial Year.

Libraries & Museum Property Costs are projected to underspend by £17,000, the majority of which relates to Non Domestic Rates (NDR) Empty Relief for the McLean Museum during refurbishment period.

Libraries & Museum Income is projected to under-recover by £32,000 (Libraries £19,000 and Museum £13,000), the same as reported to the last Committee.

Sports & Leisure: Projected Overspend £8,000

Whinhill Golf Income is projected to under-recover by £16,000 and a slight improvement on the £23,000 under-recovery last year. The projected under-recovery of income is partially offset by a projected underspend of £8,000 for Rankin Park mountain bike track maintenance.

Community Safety: Projected Overspend £3,000

The projected overspend relates to minor variances and is £5,000 less expenditure than reported to the last Committee.

Community Halls: Projected Underspend £8,000

Community Halls Employee Costs are projected to overspend by £2,000, the same as previously reported to Committee.

Income from School Lets is projected to over-recover by £10,000, the same as previously reported to Committee.

6.0 EARMARKED RESERVES

- 6.1 Earmarked Reserves for 2019/20 total £359,000 all of which is projected to be spent in the current financial year. To date, expenditure of £151,000 (42%) has been incurred. The spend to date per profiling was expected to be £145,000 resulting in expenditure being £6,000 ahead of schedule.

7.0 VIREMENTS

7.1 There are no virements 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.

(a) Has an Equality Impact Assessment been carried out?

	YES (see attached appendix)
X	NO – This report does not introduce a new policy, function or strategy or recommend a substantive change to an existing policy, function or strategy. Therefore, no Equality Impact Assessment is required

(b) Fairer Scotland Duty

If this report affects or proposes any major strategic decision:-

Has there been active consideration of how this report's recommendations reduce inequalities of outcome?

	YES – A written statement showing how this report's recommendations reduce inequalities of outcome caused by socio-economic disadvantage has been completed.
X	NO

(c) Data Protection

Has a Data Protection Impact Assessment been carried out?

X

YES – This report involves data processing which may result in a high risk to the rights and freedoms of individuals.

NO

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 - 2019/20**Period 5 - 1st April 2019 to 31st August 2019**

Service	Approved Budget	Inflation £000	Movements			Revised Budget
	2019/20 £000		Virement £000	Supplementary Budgets £000	Transferred to EMR £000	2019/20 £000
Libraries & Museum	1,550	1				1,551
Sport & Leisure	1,171					1,171
Community Safety	552					552
Community Halls	984					984
Grants to Voluntary Organisations	252					252
Totals	<u>4,509</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,510</u>

Movement Details

£000

External ResourcesInflation

NDR

1

1Virement0Supplementary Budget01

COMMUNITIES**REVENUE BUDGET MONITORING REPORT****MATERIAL VARIANCES****Period 5 -1st April 2019 to 31st August 2019**

<u>Out Turn</u> <u>2018/19</u> <u>£000</u>	<u>Budget</u> <u>Heading</u>	<u>Budget</u> <u>2019/20</u> <u>£000</u>	<u>Proportion</u> <u>of Budget</u>	<u>Actual to</u> <u>30-Jun-19</u> <u>£000</u>	<u>Projection</u> <u>2019/20</u> <u>£000</u>	<u>(Under)/Over</u> <u>Budget</u> <u>£000</u>	<u>Percentage</u> <u>Over / (Under)</u>
Total Material Variances						0	

COMMUNITIES**REVENUE BUDGET MONITORING REPORT****CURRENT POSITION****Period 5 - 1st April 2019 to 31st August 2019**

2018/19 Actual £000	Subjective Heading	Approved Budget 2019/20 £000	Revised Budget 2019/20 £000	Projected Out-turn 2019/20 £000	Projected Over/(Under) Spend £000	Percentage Over/(Under)
1,715	Employee Costs	1,677	1,680	1,699	19	1.1%
756	Property Costs	719	720	703	(17)	(2.4%)
1,383	Supplies & Services	1,216	1,216	1,211	(5)	(0.4%)
4	Transport Costs	3	3	3	0	-
79	Administration Costs	73	73	73	0	-
1,270	Other Expenditure	1,113	1,138	1,131	(7)	(0.6%)
(351)	Income	(292)	(320)	(282)	38	(11.9%)
4,856	TOTAL NET EXPENDITURE	4,509	4,510	4,538	28	0.6%
	Earmarked Reserves	0	0	0	0	
	TOTAL NET EXPENDITURE excluding Earmarked Reserves	4,509	4,510	4,538	28	

2018/19 Actual £000	Objective Heading	Approved Budget 2019/20 £000	Revised Budget 2019/20 £000	Projected Out-turn 2019/20 £000	Projected Over/(Under) Spend £000	Percentage Over/(Under)
1,573	Libraries & Museum	1,550	1,551	1,576	25	1.6%
1,475	Sports & Leisure	1,171	1,171	1,179	8	0.7%
552	Community Safety	552	552	555	3	0.5%
1,005	Community Halls	984	984	976	(8)	(0.8%)
251	Grants to Vol Orgs	252	252	252	0	-
4,856	TOTAL COMMUNITIES	4,509	4,510	4,538	28	0.6%
	Earmarked Reserves	0	0	0	0	

EARMARKED RESERVES POSITION STATEMENT

COMMITTEE: Communities

<u>Project</u>	<u>Lead Officer/ Responsible Manager</u>	<u>Total Funding 2019/20</u>	<u>Phased Budget Period 5 2019/20</u>	<u>Actual Period 5 2019/20</u>	<u>Projected Spend 2019/20</u>	<u>Amount to be Earmarked for 2021/22 & Beyond</u>	<u>Lead Officer Update</u>
		£000	£000	£000	£000	£000	
Community Fund	Tony McEwan	344	145	151	344	0	First tranche of payments made, balance to be spent by end of 2019/20. Report to Policy and Resources Committee due November 2019
Gourock Pool Opening Extension	Tony McEwan	15	0	0	15	0	Funding to extend opening of Gourock Pool until end of September 2019.
Total		359	145	151	359	0	