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<b>Report To:</b>	<b>Education &amp; Communities Committee</b>	<b>Date:</b>	<b>21 January 2020</b>
<b>Report By:</b>	<b>Chief Financial Officer and Corporate Director Education, Communities and Organisational Development</b>	<b>Report No:</b>	<b>FIN/03/20/AP/IC</b>
<b>Contact Officer:</b>	<b>Iain Cameron</b>	<b>Contact No:</b>	<b>01475 712832</b>
<b>Subject:</b>	<b>Communities 2019/20 Revenue Budget Report- Period 7 to 31 October 2019</b>		

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## 1.0 PURPOSE

- 1.1 The purpose of this report is to advise the Committee of the 2019/20 Revenue Budget position at Period 7 to 31 October 2019.

## 2.0 SUMMARY

- 2.1 The total Communities Revenue Budget for 2019/20, excluding Earmarked Reserves, is currently £4,531,940. This is an increase of £22,850 from the approved budget. Appendix 1 provides details of this movement. The latest projection is an underspend of £22,000 which is a decrease in expenditure of £50,000 since the last Committee.
- 2.2 The main variances to highlight for the 2019/20 Revenue Budget are –
- (a) Libraries & Museum now projected to be on budget, a decrease in expenditure of £25,000 since the last Committee. A shortfall in Income of £32,000 is offset by an underspend of £32,000 for Property Costs, mostly Non Domestic Rates empty relief for the McLean Museum.
  - (b) Projected overspend of £6,000 for Sports & Leisure. A £16,000 shortfall for Whinhill Golf Course income is partially offset by an £10,000 underspend for Rankin Park mountain bike track maintenance.
  - (c) Projected underspend of £18,000 for Community Safety. Employee Costs are projected to underspend by £11,000 due to vacant posts. The balance is made up of minor variances.
  - (d) Projected underspend of £10,000 for Community Halls due to the over-recovery of Income from School Lets.
- 2.3 Earmarked Reserves for 2019/20 total £359,000 with £176,000 projected to be spent in the current financial year. To date expenditure of £151,000 (86%) has been incurred. The spend to date per profiling was expected to be £245,000 resulting in slippage of £94,000 or 38%.

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### **3.0 RECOMMENDATIONS**

- 3.1 It is recommended that the Committee notes the current projected underspend of £22,000 for the 2019/20 Communities Revenue Budget as at Period 7 to 31 October 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 7 to 31 October 2019 and highlight the main issues contributing to the projected underspend of £22,000.

## **5.0 2019/20 PROJECTION**

- 5.1 The current Communities Revenue Budget for 2019/20 is £4,531,940. This is an increase of £22,850 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 underspend of £22,000 (0.5%) for the 2019/20 Communities Revenue Budget are :-

### Libraries & Museum: Projected On Budget

Libraries & Museum is projected to be on budget, a decrease in expenditure of £25,000 since last Committee.

Libraries & Museum Property Costs are projected to underspend by £32,000, the majority of which relates to Non-Domestic Rates (NDR) empty relief for the McLean Museum during the 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 last Committee.

### Sports & Leisure: Projected Overspend £6,000

Sports & Leisure is projected to overspend by £6,000, a decrease in expenditure of £2,000 since last Committee. Whinhill Golf Income is projected to under recover by £16,000, the same as reported to the last Committee. This projected under recovery of income is partially offset by a projected underspend of £10,000 for Rankin Park mountain bike track maintenance.

### Community Safety: Projected Underspend £18,000

Community Safety is projected to underspend by £18,000, a reduction in expenditure of £21,000 since the last Committee. Employee costs, mainly School Crossing Patrollers, are projected to underspend by £11,000 with the balance of the underspend relating to minor variances.

### Community Halls: Projected Underspend £10,000

Community Halls are projected to underspend by £10,000, a decrease in expenditure of £2,000 since the last 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 with £176,000 projected to be spent in the current financial year. To date, expenditure of £151,000 (86%) has been incurred. The spend to date per profiling was expected to be £245,000 resulting in slippage of £94,000 or 38%.

## 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
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 7 - 1st April 2019 to 31st October 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	15				1,565
Sport & Leisure	1,171					1,171
Community Safety	552	1				553
Community Halls	984	7				991
Grants to Voluntary Organisations	252					252
Totals	<u>4,509</u>	<u>23</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,532</u>

**Movement Details**

£000

External ResourcesInflationNDR  
Pay & Grading1  
2223Virement0Supplementary Budget023

**COMMUNITIES****REVENUE BUDGET MONITORING REPORT****MATERIAL VARIANCES****Period 7 -1st April 2019 to 31st October 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-Oct-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>
62	<b>Libraries &amp; Museum</b> Non Domestic Rates (NDR)	55	55	22	35	(20)	(36.4%)
<b>Total Material Variances</b>						<b>(20)</b>	

**COMMUNITIES****REVENUE BUDGET MONITORING REPORT****CURRENT POSITION****Period 7 - 1st April 2019 to 31st October 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	1,727	1,713	(14)	(0.8%)
756	Property Costs	719	720	688	(32)	(4.4%)
1,383	Supplies & Services	1,216	1,215	1,208	(7)	(0.6%)
4	Transport Costs	3	3	3	0	-
79	Administration Costs	73	73	73	0	-
1,270	Other Expenditure	1,113	1,157	1,150	(7)	(0.6%)
(351)	Income	(292)	(363)	(325)	38	(10.5%)
4,856	<b>TOTAL NET EXPENDITURE</b>	<b>4,509</b>	<b>4,532</b>	<b>4,510</b>	<b>(22)</b>	<b>(0.5%)</b>
	Earmarked Reserves	0	0	0	0	
	<b>TOTAL NET EXPENDITURE excluding Earmarked Reserves</b>	<b>4,509</b>	<b>4,532</b>	<b>4,510</b>	<b>(22)</b>	

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	1,565	1,565	0	-
1,475	Sports & Leisure	1,171	1,171	1,177	6	0.5%
552	Community Safety	552	554	536	(18)	(3.2%)
1,005	Community Halls	984	990	980	(10)	(1.0%)
251	Grants to Vol Orgs	252	252	252	0	-
4,856	<b>TOTAL COMMUNITIES</b>	<b>4,509</b>	<b>4,532</b>	<b>4,510</b>	<b>(22)</b>	<b>(0.5%)</b>
	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 7 2019/20</u>	<u>Actual Period 7 2019/20</u>	<u>Projected Spend 2019/20</u>	<u>Amount to be Earmarked for 2021/22 &amp; Beyond</u>	<u>Lead Officer Update</u>
		<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	
Community Fund	Tony McEwan	344	245	151	161	183	£113k of the c/f t o 20/21 is currently committed leaving a balance of £70k unallocated at this time. This will be added to Phase 2 of the PB Process.
Gourock Pool Opening Extension	Tony McEwan	15	0	0	15	0	Funding for pool to remain open September 2019, awaiting final invoice from IL. Costs likely to be more than £15k with balance charged to Sports Core Budget
<b>Total</b>		<b>359</b>	<b>245</b>	<b>151</b>	<b>176</b>	<b>183</b>	