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| Report To: | Education & Communities Committee | Date: | 10 March 2020 |
| Report By: | Chief Financial Officer and Corporate Director Education, Communities and Organisational Development | Report No: | FIN/21/20/AP/IC |
| Contact Officer: | Iain Cameron | Contact No: | 01475 712832 |
| Subject: | Communities 2019/20 Revenue Budget Report- Period 9 to 31 December 2019 | | |

1.0 PURPOSE

- 1.1 The purpose of this report is to advise the Committee of the 2019/20 Revenue Budget position as at Period 9 to 31 December 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 underspend of £24,000 which is a decrease in expenditure of £2,000 since the last Committee.
- 2.2 The main variances to highlight for the 2019/20 Revenue Budget are –
- (a) Libraries & Museum projected to underspend by £7,000, a decrease in expenditure of £7,000 since the last Committee. This is due to an underspend of £3,000 for Employee Costs, a shortfall in Income of £32,000 and an underspend of £36,000 for Property Costs, mostly Non Domestic Rates empty relief for the McLean Museum.
 - (b) Projected overspend of £9,000 for Sports & Leisure. A £16,000 shortfall for Whinhill Golf Course income and a £3,000 overspend for Insurance are partially offset by a £10,000 underspend for Rankin Park mountain bike track maintenance.
 - (c) Projected underspend of £17,000 for Community Safety. Employee Costs are projected to underspend by £10,000 due to vacant posts. The balance is made up of minor variances.
 - (d) Projected underspend of £9,000 for Community Halls mainly due to the over recovery of Income from School Lets.
- 2.3 Earmarked Reserves for 2019/20 total £359,000 with £190,000 projected to be spent in the current financial year. To date, expenditure of £175,000 (92%) has been incurred. Spend to date per profiling was expected to be £245,000 resulting in slippage of £70,000 or 29%.

3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Committee note the current projected underspend of £24,000 for the 2019/20 Communities Revenue Budget as at Period 9 to 31 December 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 9 to 31 October 2019 and highlight the main issues contributing to the projected underspend of £24,000.

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 underspend of £24,000 (0.5%) for the 2019/20 Communities Revenue Budget are :-

Libraries & Museum: Projected Underspend £7,000

Libraries & Museum is projected to underspend by £7,000, a decrease in expenditure of £7,000 since the last Committee.

Libraries & Museum Employee Costs are projected to underspend by £3,000 and Property Costs are projected to underspend by £36,000, 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 £17,000 and Museum £15,000).

Sports & Leisure: Projected Overspend £9,000

Sports & Leisure is projected to overspend by £9,000, an increase in expenditure of £3,000 since the last Committee. Whinhill Golf Income is projected to under-recover by £16,000 and Insurance is projected to overspend by £3,000. These overspends are partially offset by a projected underspend of £10,000 for Rankin Park mountain bike track maintenance.

Community Safety: Projected Underspend £17,000

Community Safety is projected to under-spend by £17,000, a reduction in expenditure of £1,000 since the last Committee. Employee costs, mainly School Crossing Patrollers, are projected to under-spend by £10,000 with the balance of the underspend relating to minor variances.

Community Halls: Projected Underspend £9,000

Community Halls are projected to underspend by £9,000, a decrease in expenditure of £1,000 since the last Committee.

Income from School Lets is projected to over-recover by £10,000, the same as previously reported to Committee. The balance is made up of minor variances.

6.0 EARMARKED RESERVES

- 6.1 Earmarked Reserves for 2019/20 total £359,000 with £190,000 projected to be spent in the current financial year. To date expenditure of £175,000 (92%) has been incurred. Spend to date per profiling was expected to be £245,000 resulting in slippage of £70,000 or 29%.

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 9 - 1st April 2019 to 31st December 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 ResourcesInflationNDR
|

1

1Virement0Supplementary Budget01

COMMUNITIES**REVENUE BUDGET MONITORING REPORT****MATERIAL VARIANCES****Period 9 -1st April 2019 to 31st December 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>31-Dec-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 | Libraries & Museum Non Domestic Rates (NDR) | 55 | 55 | 22 | 35 | (20) | (36.4%) |
| Total Material Variances | | | | | | (20) | |

COMMUNITIES**REVENUE BUDGET MONITORING REPORT****CURRENT POSITION****Period 9 - 1st April 2019 to 31st December 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 | 1,705 | 1,681 | (24) | (1.4%) |
| 756 | Property Costs | 719 | 720 | 690 | (30) | (4.2%) |
| 1,383 | Supplies & Services | 1,216 | 1,215 | 1,205 | (10) | (0.8%) |
| 4 | Transport Costs | 3 | 3 | 3 | 0 | - |
| 79 | Administration Costs | 73 | 73 | 81 | 8 | 11.0% |
| 1,270 | Other Expenditure | 1,113 | 1,157 | 1,150 | (7) | (0.6%) |
| (351) | Income | (292) | (363) | (324) | 39 | (10.7%) |
| 4,856 | TOTAL NET EXPENDITURE | 4,509 | 4,510 | 4,486 | (24) | (0.5%) |
| | Earmarked Reserves | 0 | 0 | 0 | 0 | |
| | TOTAL NET EXPENDITURE excluding Earmarked Reserves | 4,509 | 4,510 | 4,486 | (24) | |

| 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 | 1,552 | 1,545 | (7) | (0.5%) |
| 1,475 | Sports & Leisure | 1,171 | 1,171 | 1,180 | 9 | 0.8% |
| 552 | Community Safety | 552 | 552 | 535 | (17) | (3.1%) |
| 1,005 | Community Halls | 984 | 983 | 974 | (9) | (0.9%) |
| 251 | Grants to Vol Orgs | 252 | 252 | 252 | 0 | - |
| 4,856 | TOTAL COMMUNITIES | 4,509 | 4,510 | 4,486 | (24) | (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 2019/20</u> | <u>Phased Budget Period 9 2019/20</u> | <u>Actual Period 9 2019/20</u> | <u>Projected Spend 2019/20</u> | <u>Amount to be Earmarked for 2021/22 & 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 | 175 | 175 | 169 | £99k of the c/f t o 20/21 is currently committed leaving a balance of £70k unallocated at this time. Proposal to Feb P&R agreed to use £60k for temp CLD resource to support the next phase of Participatory Budgeting. |
| Gourock Pool Opening Extension | Tony McEwan | 15 | 0 | 0 | 15 | 0 | Funding for pool to remain open September 2019. Invoice received Jan 2020 and is on budget. Will be paid P10. |
| Total | | 359 | 245 | 175 | 190 | 169 | |