
Report To:	Education & Communities Committee	Date:	3 November 2020
Report By:	Chief Financial Officer and Corporate Director Education, Communities and Organisational Development	Report No:	FIN/087/20/AP/IC
Contact Officer:	Iain Cameron	Contact No:	01475 712832
Subject:	Communities 2020/21 Revenue Budget Report- Period 5 to 31 August 2020		

1.0 PURPOSE

- 1.1 The purpose of this report is to advise the Committee of the 2020/21 Revenue Budget position at Period 5 to 31 August 2020.

2.0 SUMMARY

- 2.1 The total Communities Revenue Budget for 2020/21, excluding Earmarked Reserves, is currently £4,500,810. This is a decrease of £19,620 from the approved budget. Appendix 1 provides details of this movement. The latest projection is an overspend of £868,000. Included within this projection are costs of £997,000 relating to the Council's response to the Covid-19 pandemic which will be fully funded by the approved Covid-19 budget. Excluding these costs, there is a projected underspend of £129,000 which is a decrease in expenditure of £59,000 since the last Committee.
- 2.2 The main variances to highlight for the 2020/21 Revenue Budget are –

Libraries & Museum: Projected Overspend £33,000

Libraries & Museum projected outturn for 2020/21 includes £42,000 of costs associated with the Council's response to the Covid-19 pandemic. As a result of building closures during lockdown and anticipated lower footfall for remainder of Financial Year, it is projected that Income will under-recover by £42,000. The projected outturn excluding Covid-19 costs is an underspend of £9,000, a decrease in expenditure of £4,000 since the last Committee and is due to minor Property Costs variances.

Sports & Leisure: Projected Overspend £875,000

Sports & Leisure projected outturn for 2020/21 includes £881,000 of costs associated with the Council's response to the Covid-19 pandemic. Additional payments of £951,000 have been approved for Inverclyde Leisure to support their cashflow during lockdown. These payments are partially offset by an underspend of £70,000 on Sports Waivers due to reduced bookings as a result of Covid-19. The projected outturn excluding Covid-19 costs is an underspend of £6,000 which relates to Rankin Park Cycle Track maintenance (£10,000) and a shortfall in Rent Income (£4,000)

Community Safety: Projected Underspend £32,000

There are no Covid-19 costs for Community Safety. Community Safety Employee Costs are projected to underspend by £25,000 due to a number of vacancies within School Crossing Patrollers. The balance of the underspend relates to minor variances. The projected underspend is the same as previously reported to the Committee.

Community Halls: Projected Underspend £8,000

Community Halls projected outturn for 2020/21 includes £74,000 of costs associated with the Council's response to the Covid-19 pandemic. Hall Lets Income is projected to under-recover by £99,000 as a result of facilities being closed during lockdown. This is partially offset by an underspend of £25,000 for Hall Lets Waivers. The projected outturn, excluding Covid-19 costs, is an underspend of £82,000 which is due to an underspend of £67,000 for Employee Costs, mostly Letting Officers, and a £15,000 underspend for Community Hubs Resources.

- 2.3 Earmarked Reserves for 2020/21 total £159,000, of which £106,000 is projected to be spent in the current Financial Year. To date there has been no expenditure. Spend to date per profiling was also expected to be nil and there is no slippage to report at this time.

3.0 RECOMMENDATIONS

- 3.1 That the Committee notes the current projected underspend of £129,000 for the 2020/21 Revenue Budget as at Period 5 to 31 August 2020 net of costs of £997,000 funded by the approved Covid-19 budget.

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 2020/21 Communities Revenue Budget as at Period 5 to 31 August 2020 and highlight the main issues contributing to the projected overspend of £868,000.

5.0 2020/21 PROJECTION

- 5.1 The current Communities Revenue Budget for 2020/21 is £4,500,810. This is a decrease of £19,620 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 £868,000 or net of Covid-19 related costs an underspend of £129,000 for the 2020/21 Communities Revenue Budget are :-

Libraries & Museum: Projected Overspend £33,000

Libraries & Museum projected outturn for 2020/21 includes £42,000 of costs associated with the Council's response to the Covid-19 pandemic. As a result of building closures during lockdown and anticipated lower footfall for remainder of Financial Year, it is projected that Income will under-recover by £42,000. The projected out turn excluding Covid-19 costs is an underspend of £9,000, a decrease in expenditure of £4,000 since the last Committee and is due to minor Property Costs variances.

Sports & Leisure: Projected Overspend £875,000

Sports & Leisure projected outturn for 2020/21 includes £881,000 of costs associated with the Council's response to the Covid-19 pandemic. Additional payments of £951,000 have been approved for Inverclyde Leisure to support their cashflow during lockdown. These payments are partially offset by an underspend of £70,000 on Sports Waivers due to reduced bookings as a result of Covid-19. The projected outturn excluding Covid-19 costs is an underspend of £6,000 which relates to Rankin Park Cycle Track maintenance (£10,000) and a shortfall in Rent Income (£4,000)

Community Safety: Projected Underspend £32,000

There are no Covid-19 costs for Community Safety.

Community Safety Employee Costs are projected to underspend by £25,000 due to a number of vacancies within School Crossing Patrollers. The balance relates to minor variances. The projected underspend is the same as previously reported to the Committee.

Community Halls: Projected Underspend £8,000

Community Halls projected outturn for 2020/21 includes £74,000 of costs associated with the Council's response to the Covid-19 pandemic. Hall Lets Income is projected to under-recover by £99,000 as a result of facilities being closed during lockdown. This is partially offset by an underspend of £25,000 for Hall Lets Waivers. The projected outturn, excluding Covid-19 costs, is an underspend of £82,000 which is due to an underspend of £67,000 for Employee Costs, mostly Letting Officers and a £15,000 underspend for Community Hubs Resources.

6.0 EARMARKED RESERVES

6.1 Earmarked Reserves for 2020/21 total £159,000, of which £106,000 is projected to be spent in the current Financial Year. To date there has been no expenditure. Spend to date per profiling was also expected to be nil and there is no slippage to report at this time.

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?

	YES – This report involves data processing which may result in a high risk to the rights and freedoms of individuals.
X	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 - 2020/21

Period 5 - 1st April 2020 to 31st August 2020

Service	Approved Budget	Movements			Transferred to EMR	Revised Budget 2020/21
	2020/21	Inflation	Virement	Supplementary Budgets		
	£000	£000	£000	£000	£000	£000
Libraries & Museum	1,610					1,610
Sport & Leisure	1,112		47			1,159
Community Safety	557					557
Community Halls	989		(40)			949
Grants to Voluntary Organisations	252		(26)			226
Totals	4,520	0	(19)	0	0	4,501

Movement Details

£000

External Resources

Inflation

0

Virement

Remove Whinhill Golf Income 77
 Decrease IL Management Fee for Whinhill (30)
 GTVO to Education Committee (26)
 Playschemes to Education Committee (40)

(19)

Supplementary Budget

0

(19)

COMMUNITIES**REVENUE BUDGET MONITORING REPORT****CURRENT POSITION****Period 5 - 1st April 2020 to 31st August 2020**

2019/20 Actual £000	Subjective Heading	Approved Budget 2020/21 £000	Revised Budget 2020/21 £000	Projected Out-turn 2020/21 £000	Projected Over/(Under) Spend £000	Percentage Over/(Under)
1,689	Employee Costs	1,730	1,756	1,652	(104)	(5.9%)
730	Property Costs	737	736	739	3	0.4%
1,213	Supplies & Services	1,157	1,127	2,068	941	83.5%
2	Transport Costs	3	3	3	0	-
78	Administration Costs	79	79	79	0	-
1,131	Other Expenditure	1,121	1,067	950	(117)	(11.0%)
(291)	Income	(307)	(267)	(122)	145	(54.3%)
4,552	TOTAL NET EXPENDITURE	4,520	4,501	5,369	868	19.3%
	Earmarked Reserves	0	0	0	0	
	Additional Funding Covid-19			(997)	(997)	
	TOTAL NET EXPENDITURE excluding Earmarked Reserves	4,520	4,501	4,372	(129)	

2019/20 Actual £000	Objective Heading	Approved Budget 2020/21 £000	Revised Budget 2020/21 £000	Projected Out-turn 2020/21 £000	Projected Over/(Under) Spend £000	Percentage Over/(Under)
1,586	Libraries & Museum	1,610	1,609	1,642	33	2.1%
1,184	Sports & Leisure	1,112	1,160	2,035	875	75.4%
516	Community Safety	557	557	525	(32)	(5.7%)
1,014	Community Halls	989	949	941	(8)	(0.8%)
252	Grants to Vol Orgs	252	226	226	0	-
4,552	TOTAL COMMUNITIES	4,520	4,501	5,369	868	19.3%
	Earmarked Reserves	0	0	0	0	

COMMUNITIESREVENUE BUDGET MONITORING REPORTMATERIAL VARIANCESPeriod 5 -1st April 2020 to 31st August 2020

<u>Out Turn</u> <u>2019/20</u> <u>£000</u>	<u>Budget</u> <u>Heading</u>	<u>Budget</u> <u>2020/21</u> <u>£000</u>	<u>Proportion</u> <u>of Budget</u>	<u>Actual to</u> <u>31-Aug-20</u> <u>£000</u>	<u>Projection</u> <u>2020/21</u> <u>£000</u>	<u>(Under)/Over</u> <u>Budget</u> <u>£000</u>	<u>Percentage</u> <u>Over / (Under)</u>
	Libraries & Museum						
(25)	Libraries & Museum Income	(67)	(28)	0	(25)	42	(62.7%)
	Sports & Leisure						
141	Waivers	141	59	0	71	(70)	(49.6%)
709	IL Management Fee	654	164	220	1,605	951	145.4%
	Community Halls						
0	Letting Officers Employees Costs	125	48	25	58	(67)	(53.6%)
28	Waivers	25	10	0	0	(25)	(100.0%)
(107)	School Lets Income	(135)	(56)	(6)	(36)	99	(73.3%)
	Community Safety						
472	Employee Costs	498	192	164	473	(25)	(5.0%)
	Covid 19 Material Variances					997	
Total Material Variances		1,241	389	403	2,146	905	

EARMARKED RESERVES POSITION STATEMENT

COMMITTEE: Communities

<u>Project</u>	<u>Lead Officer/ Responsible Manager</u>	<u>Total Funding 2020/21</u> £000	<u>Phased Budget Period 5 2020/21</u> £000	<u>Actual Period 5 2020/21</u> £000	<u>Projected Spend 2020/21</u> £000	<u>Amount to be Earmarked for 2021/22 & Beyond</u> £000	<u>Lead Officer Update</u>
Community Fund (Participatory Budgets)	Tony McEwan	159	0	0	106	53	£65k funding 18 months post from P7 20/21 and £87k payments to be made to various Community Groups P10 20/21. £48k pays for last 12 months of post in 21/22.
Total		159	0	0	106	53	