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<b>Report To:</b>	<b>Policy &amp; Resources Committee</b>	<b>Date:</b>	<b>16 November 2021</b>
<b>Report By:</b>	<b>Chief Executive, Interim Director, Finance &amp; Corporate Governance, Corporate Director Education, Communities &amp; Organisational Development</b>	<b>Report No:</b>	<b>FIN/71/21/AP/AE</b>
<b>Contact Officer:</b>	<b>Angela Edmiston</b>	<b>Contact No:</b>	<b>01475 712143</b>
<b>Subject:</b>	<b>2021/22 Revenue Budget Update</b>		

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## 1.0 PURPOSE

- 1.1 The purpose of this report is to advise Committee of the 2021/22 projected outturn for the Policy & Resources Committee. The report also details the position of the General Fund Revenue Budget including the latest position regarding COVID funds.

## 2.0 SUMMARY

- 2.1 The total revised Committee budget for 2021/22 is £18,500,000. This excludes Earmarked Reserves of £2,006,000. The latest projection, excluding Earmarked Reserves, is an overspend of £333,000, service breakdown and detailed material variances is detailed in Appendices 2 & 3. This projection excludes COVID-19 expenditure which is shown against the COVID-19 Reserve Fund. The main variances making up this overspend are projected under-recoveries within Internal Resource Interest, Prior Years Council Tax and Statutory Additions income.
- 2.2 There is a projected underspend in the year of £43,230 within the Common Good Fund resulting in a projected surplus fund balance of £144,410 at 31 March 2022 with a breakdown included within Appendix 5. This is largely attributed to the cancellation of 2 events due to lockdown.
- 2.3 The Committee's own Earmarked Reserves for 2021/22 totals £2,006,000 of which £627,000 is projected to be spent in the current financial year. To date expenditure of £139,000 (22.2%) has been incurred which is £26,000 more than the phased budget. The Earmarked Reserves reported in Appendix 6 excludes Earmarked Reserves for Asset Plans and Strategic Funds.
- 2.4 It can be seen from Appendix 7 that as at 30 September 2021 the General Fund is projecting a £327,000 overspend (excluding Health & Social Directorate) which represents 0.16% of the net Revenue Budget. The position comprises, Education & Communities Committee currently projecting £261,000 underspend, Policy & Resources Committee £333,000 overspend and £255,000 overspend within the Environment & Regeneration Committee. Further details have been reported to the individual Committees. It should be noted this position assumes that the 2021/22 pay inflation pressure will be contained within the overall inflation allowance.
- 2.5 Appendix 8 shows the latest position in respect of overall Earmarked Reserves, excluding those relating to Asset Plans and Funding Models, it can be seen that as at 30 September 2021 expenditure totalled £842,000 which equates to 16.79% of the planned spend in 2021/22. It can also be seen from Appendix 8 that at 30 September 2021 actual expenditure is £114,000 more than phased budget.
- 2.6 Appendix 9 shows the latest position in respect of the General Fund Reserves and shows that the projected balance at 30 September 2021 is £4.563 million which is £563,000 more than the

minimum recommended balance of £4 million. This position is prior to the conclusion of the audit of the 2020/21 Accounts. The audited position will be incorporated within the February Committee report.

- 2.7 Appendix 10 highlights the current position of the COVID Fund. Expenditure of £15.784 million will be funded from Government Grant to be received 2021/22 and funding carried forward from 2020/21 as an Earmarked Reserve. As seen from Appendix 10, there is £1.31 million unallocated contingency to meet any unbudgeted costs associated with Covid from 2021/22 onwards.

### **3.0 RECOMMENDATIONS**

- 3.1 It is recommended that the Committee notes the update in respect of the Policy & Resources Committee budget including the 2021/22 projected overspend of £333,000.
- 3.2 It is recommended that the Committee approves the virement detailed in Appendix 4.
- 3.3 It is recommended that the Committee notes the projected 2021/22 surplus of £43,230 for the Common Good Budget.
- 3.4 It is recommended that the Committee notes the overall overspend of £327,000 projected as at Period 6, 30 September for the General Fund, its overall Earmarked Reserves position and the position of the Free Reserves.
- 3.5 It is recommended that the Committee notes the update relating to COVID expenditure and funding shown in Appendix 10.

**Louise Long**  
Chief Executive

**Alan Puckrin**  
Interim Director, Finance & Corporate  
Governance

**Ruth Binks**  
Corporate Director,  
Education, Communities  
& Organisational Development

#### 4.0 BACKGROUND

4.1 The Council Budget was agreed in March 2021 and approved a budget of £18.231 million for the Policy & Resources Committee. This report provides an update on all matters relating to the Committee budget and the General Fund as at 30 September, 2021.

#### 5.0 2021/22 COMMITTEE CURRENT POSITION

5.1 The current projection for 2021/22 is an overspend of £333,000. The material variances are identified in Appendix 3.

5.2 The following material variances relate to the Environment, Regeneration & Resources Directorate:

##### **Finance - £116,000 overspend**

Material Variances are noted below;

Employee Costs: £31,000 projected underspend, mainly due to an over-recovery of turnover savings within Finance and Revenues partly off-setting unachieved turnover target to within ICT.

Administration Costs: Projecting £61,000 underspend. This underspend is mainly due to £20,000 overspend within Computer Software Maintenance, £22,000 underspend within Mobile Phone recharges and £26,000 underspend within Line Rental recharges which are off-set with an under-recovery within income.

Income: An under-recovery of £180,000 is being projected; £22,000 within Mobile Phone recharges, £26,000 under-recovery for Line Rental recharges as off-set within Administration Costs above and an over recovery of ICT recharges to internal customers. In addition there is a projected £50,000 under-recovery within Statutory Additions income in line with 2020/21, which is a decrease from the £81,000 under-recovery previously reported and also £80,000 projected under-recovery for Council Tax Prior Years Income.

##### **Legal & Property - £9,000 overspend**

Projected variances are all below £20,000.

5.3 The following material variances relate to the Education, Communities & Organisational Development Directorate:

##### **Organisational Development, Policy & Communications - £24,000 overspend**

Employee Costs: £32,000 projected overspend, mainly due to unachieved turnover target to date.

5.4 The following material variances relate to the Miscellaneous budget.

##### **Miscellaneous – £170,000 overspend**

All budgets within Miscellaneous are projected on target with the exception of Internal Resource Interest with a £170,000 projected under-recovery due to extremely low interest levels in 2021/22.

The following position relates to the Chief Executive budget:

##### **Chief Executive – £14,000 overspend**

5.5 Projected variances are all below £20,000.

## 6.0 VIREMENT

- 6.1 The Committee is asked to approve the virement of £7,830 within the Policy & Resources Committee, as detailed in Appendix 4. This budget will be transferred from the HSCP Committee to allow an upgrade the Councils Brightwave system; upgrade partly funded from HSCP Committee and Non-Pay Inflation Contingency.

## 7.0 COMMON GOOD FUND

- 7.1 The Common Good Fund is projecting a surplus fund balance of £43,230. Which results in projected surplus fund balance of £144,410 at 31 March 2022. Surplus has increased since last reported to Committee due to the recent cancellation of the annual Fireworks display.

## 8.0 COMMITTEE EARMARKED RESERVES

- 8.1 Appendix 6 gives a detailed breakdown of the current earmarked reserves position. Total funding is £2,006,000 of which £627,000 is projected to be spent in 2021/22 and the remaining balance of £1,379,000 to be carried forward to 2022/23 and beyond. It can be seen that expenditure of £139,000 has been achieved which is £26,000 over that the phased budgeted spend to date and represents 22.2% of the annual projected spend.

## 9.0 GENERAL REVENUE FUND POSITION

- 9.1 It can be seen from Appendix 7 that as at 30 September 2021 the General Fund is projecting a £327,000 overspend (excluding Health & Social Directorate) which represents 2.68% of the net Revenue Budget.
- 9.2 The overspend consists of the Education & Communities Committee currently projecting an underspend with all other Committees projecting overspends:-

The main issues relating to the four Service Committees are:-

Policy & Resources Committee – Projected overspend of £333,000 (1.80%) which has increased by £208,000 since last Committee. Overspend mainly due to under-recoveries within Statutory Additions, Prior Years Council Tax Income and £170,000 for internal resource interest.

Environment & Regeneration – Projected overspend of £255,000 (1.17%) decrease in overspend since P4 of £71,000. Overspend mainly due to an under-recovery for Cremations and Trade Waste income lines and overspends within Residual and Green Waste mainly due to increased tonnage.

Education & Communities – Projected underspend of £261,000 (0.28%), underspend has increased by £28,000 since last Committee. Underspend mainly due to additional turnover savings achieved.

Health & Social Care – Projected overspend of £522,000 (0.95%), which is a decrease in costs of £32,000 since P4. Overspends within external residual placements within Children & Families and fostering, adoption and kinship. Any overspend will be met from the IJB Reserves at the year end.

- 9.3 Appendix 8 shows the latest position in respect of Earmarked Reserves, excluding those relating to Asset Plans and Funding Models, it can be seen that as at 30 September 2021 expenditure totalled £842,000 which equates to 16.78% of the planned spend in 2021/22. It can also be seen from Appendix 8 that at 30 September 2021 actual expenditure is £114,000 more than phased budget.

9.4 Appendix 9 shows the latest position in respect of the General Fund Reserves and shows that the projected balance at 30 September 2021 is £4.563 million which is £563,000 more than the minimum recommended balance of £4 million. This is based on the 2020/21 unaudited accounts and the next report will reflect the audited accounts position.

**10.0 COVID-19 – COST & INCOME BREAKDOWN**

10.1 It can be noted from Appendix 10 that £15.784 million has been allocated for COVID-19; £12.426 million in 2021/22 and £3.358 million in 2022/23. The detailed breakdown within Appendix 10 is an estimate and will change as COVID-19 pressures change.

This expenditure is matched from income consisting of; £7.653 million Government Grants, £70,000 Other Funding and £8.061 million unused Council Reserves from 2020/21.

10.2 It can be seen from Appendix 10 that there is an unallocated Contingency of £1.310 million which will be used to meet any unbudgeted costs associated with Covid from 2021/22 onwards.

**11.0 IMPLICATIONS**

**11.1 Finance**

Financial Implications:

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	With Effect from	Annual Net Impact £000	Virement From (If Applicable)	Other Comments
N/A					

**11.2 Legal**

There are no specific legal implications arising from this report.

**11.3 Human Resources**

There are no specific human resources implications arising from this report.

**11.4 Equalities**

(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 change to an existing policy, function or strategy. Therefore, no Equality Impact Assessment is required.
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(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

**11.5 Repopulation**

There are no repopulation issues arising from this report.

**12.0 CONSULTATIONS**

12.1 The paper has been jointly prepared by the Interim Director, Finance & Corporate Governance and the Corporate Director Education, Communities & Organisational Development.

**13.0 BACKGROUND PAPERS**

13.1 There are no background papers for this report.

**Policy & Resources Budget Movement - 2021/22****Period 6: 1st April - 30th September 2021**

Service	Approved Budget	Movements			Revised Budget	
	2021/22 £000	Inflation £000	Virement £000	Supplementary Budgets £000	Transferred to EMR £000	2021/22 £000
Finance	7,086	14	(59)			7,041
Legal	1,846			31		1,877
Organisational Development, Policy & Communications	2,073	11				2,084
Chief Exec	323					323
Miscellaneous	7,574	(649)	250			7,175
<b>Totals</b>	<b>18,902</b>	<b>(624)</b>	<b>222</b>	<b>0</b>	<b>0</b>	<b>18,500</b>

**Supplementary Budget Detail**

£000

Inflation

Finance/ICT - inflationary uplift

14

OD, Policy &amp; Communications - Brightwave System Upgrade

11

Miscellaneous:

Non Pay Inflation Contingency

(649)

(624)

Virements

Legal - Service Restructure

31

Finance - Service Restructure

(69)

Finance - Post transferred to CSC

10

HSCP - Anti Poverty funding to Miscellaneous

250

222

**Total Inflation & Virements****(402)**

**REVENUE BUDGET MONITORING REPORT****CURRENT POSITION****Period 6: 1st April - 30th September 2021**

2020/21 Actual £000	SUBJECTIVE ANALYSIS	Approved Budget 2021/22 £000	Revised Budget 2021/22 £000	Projected Out-turn 2021/22 £000	Projected Over/(Under) Spend £000	Percentage Over/(Under)
9,235	Employee Costs	8,049	8,021	8,042	21	0.3%
514	Property Costs	552	552	552	0	-
678	Supplies & Services	968	974	986	12	1.2%
2	Transport & Plant	4	4	4	0	-
1,112	Administration Costs	1,328	1,328	1,258	(70)	(5.3%)
30,517	Payments to Other Bodies	37,806	37,126	37,133	7	0.0%
(26,742)	Income	(29,805)	(29,505)	(29,142)	363	(1.2%)
<b>15,316</b>	<b>TOTAL NET EXPENDITURE</b>	<b>18,902</b>	<b>18,500</b>	<b>18,833</b>	<b>333</b>	<b>1.8%</b>
	Earmarked reserves				0	
<b>15,316</b>	<b>Total Net Expenditure excluding Earmarked Reserves</b>	<b>18,902</b>	<b>18,500</b>	<b>18,833</b>	<b>333</b>	

2020/21 Actual £000	OBJECTIVE ANALYSIS	Approved Budget 2021/22 £000	Revised Budget 2021/22 £000	Projected Out-turn 2021/22 £000	Projected Over/(Under) Spend £000	Percentage Over/(Under)
7,517	Finance	7,086	7,041	7,157	116	1.6%
1,883	Legal Services	1,846	1,877	1,886	9	0.5%
<b>9,400</b>	<b>Total Net Expenditure Environment, Regeneration &amp; Resources</b>	<b>8,932</b>	<b>8,918</b>	<b>9,043</b>	<b>125</b>	<b>1.4%</b>
2,093	Organisational Development, Policy & Communications	2,073	2,084	2,108	24	1.2%
<b>2,093</b>	<b>Total Net Expenditure Education, Communities &amp; Organisational Development</b>	<b>2,073</b>	<b>2,084</b>	<b>2,108</b>	<b>24</b>	<b>1.2%</b>
327	Chief Executive	323	323	337	14	4.3%
2,760	Miscellaneous	7,574	7,175	7,345	170	2.4%
<b>14,580</b>	<b>TOTAL NET EXPENDITURE</b>	<b>18,902</b>	<b>18,500</b>	<b>18,833</b>	<b>333</b>	<b>1.8%</b>
	Earmarked reserves				0	
<b>14,580</b>	<b>Total Net Expenditure excluding Earmarked Reserves</b>	<b>18,902</b>	<b>18,500</b>	<b>18,833</b>	<b>333</b>	

	Approved Reserves £000	Revised Reserves £000	21/22 Budget £000	Projected Spend £000	Projected Carry Forward £000
Earmarked Reserves	2,006	2,006	530	530	1,476
<b>Policy &amp; Resources Overall Expenditure</b>	<b>2,006</b>	<b>2,006</b>	<b>530</b>	<b>530</b>	<b>1,476</b>



## REVENUE BUDGET MONITORING REPORT

## MATERIAL VARIANCES (EXCLUDING EARMARKED RESERVES)

Period 6: 1st April - 30th September 2021

Outturn 2020/21 £000	Budget Heading	Budget 2021/22 £000	Proportion of Budget £000	Actual to 30/09/21 £000	Projection 2021/22 £000	Over/(Under) Budget £000
	<b>Finance/ICT</b>					
4,579	Employee Costs	3,982	1,833	1,816	3,951	(31)
308	Admin Costs - ICT Line Rental Recharges	333	167	170	307	(26)
55	Admin Costs - Mobile Phone Recharges	59	30	19	37	(22)
379	Admin Costs - ICT Computer Software Maintenance	673	337	357	693	20
(215)	Income - Statutory Additions	(294)	(147)	(115)	(244)	50
(306)	Income - ICT Line Rental Recharges	(333)	(167)	(168)	(307)	26
(55)	Income - Mobile Phone Recharges	(59)	(30)	(19)	(37)	22
	Income - Council Tax Prior Years	(356)	0	0	(276)	80
	<b>Organisational Development, Policy &amp; Communications</b>					
1,771	Employee Costs	1,768	814	781	1,800	32
	<b>Miscellaneous</b>					
(39)	Internal Resource Interest	(200)	(100)	0	(30)	170
<b>6,477</b>	<b>TOTAL MATERIAL VARIANCES</b>	<b>5,573</b>	<b>2,736</b>	<b>2,841</b>	<b>5,894</b>	<b>321</b>

**POLICY AND RESOURCES COMMITTEE**

**VIREMENT REQUESTS**

<b>Budget Heading</b>		<b>Increase Budget</b>	<b>(Decrease) Budget</b>
Organisational Development, Policy & Communications - Work Force Development		7,830	
HSCP - Directorate Other Expenditure			(7,830)
<b>Total</b>		<b>7,830</b>	<b>(7,830)</b>

**Note**

**Reason for virement:**

This virement represents the HSCP contribution to the Brightwave System Maintenance costs.

**REVENUE BUDGET MONITORING REPORT 2021/22****Period 6: 1st April - 30th September 2021**

	Final Outturn 2020/21	Approved Budget 2021/22	Budget to Date 2021/22	Actual to Date 2021/22	Projected Outturn 2021/22
<b><u>PROPERTY COSTS</u></b>	<b>24,420</b>	<b>29,000</b>	<b>14,000</b>	<b>24,570</b>	<b>34,500</b>
Repairs & Maintenance	490	9,000	4,500	80	9,000
Rates	1	21,020	19,000	24,490	24,500
Property Insurance	2,910	1,000			1,000
<b><u>ADMINISTRATION COSTS</u></b>	<b>24,190</b>	<b>7,700</b>	<b>800</b>	<b>3,990</b>	<b>12,700</b>
Sundries	17,990	1,500	800	3,990	6,500
Commercial Rent Management Recharge	2,200	2,200			2,200
Recharge for Accountancy	4,000	4,000			4,000
<b><u>OTHER EXPENDITURE</u></b>	<b>1,110</b>	<b>61,400</b>	<b>0</b>	<b>320</b>	<b>18,800</b>
Christmas Lights Switch On		10,500			10,500
Gourock Highland Games		29,600			0
Armistice Service	1,670	8,300		320	8,300
Comet Festival		13,000			0
Bad Debt Provision	(560)				
<b><u>INCOME</u></b>	<b>(147,280)</b>	<b>(105,000)</b>	<b>(52,200)</b>	<b>(71,060)</b>	<b>(109,230)</b>
Property Rental	(167,850)	(158,050)	(79,000)	(102,870)	(158,050)
Void Rents	2	55,760	53,550	31,840	48,920
Internal Resources Interest	(90)	(500)		(30)	(100)
Disposal of Land	(35,100)				
<b><u>NET ANNUAL EXPENDITURE</u></b>	<b>(97,560)</b>	<b>(6,900)</b>	<b>(37,400)</b>	<b>(42,180)</b>	<b>(43,230)</b>
<b><u>EARMARKED FUNDS</u></b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>TOTAL NET EXPENDITURE</u></b>	<b>(97,560)</b>	<b>(6,900)</b>	<b>(37,400)</b>	<b>(42,180)</b>	<b>(43,230)</b>

Fund Balance as at 31st March 2021 **101,180**

Projected Fund Balance as at 31st March 2022

**144,410****Notes:****1 Rates (Empty Properties)**

Rates are currently being paid on empty properties, projection reflects current Rates levels however all historic Rates costs are being examined to ensure all appropriate empty property relief has been obtained. Any subsequent credit will be included in future reports.

**2 Current Empty Properties are:**Vacant since:

12 Bay St  
6 John Wood Street  
10 John Wood Street  
15 John Wood Street  
16 John Wood Street  
17 John Wood Street

April 2015, currently being marketed  
January 2019  
August 2018  
June 2017, currently being marketed  
October 2019, currently being marketed  
March 2014, currently being marketed

## EARMARKED RESERVES POSITION STATEMENT

COMMITTEE: Policy &amp; Resources

<u>Project</u>	<u>Lead Officer/ Responsible Manager</u>	<u>Total Funding</u>	<u>Phased Budget To Period 6</u>	<u>Actual To Period 6</u>	<u>Projected Spend</u>	<u>Amount to be Earmarked for 2022/23 &amp; Beyond</u>	<u>Lead Officer Update</u>
		<u>2021/22</u>	<u>2021/22</u>	<u>2021/22</u>	<u>2021/22</u>		
		<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	
Equal Pay	Steven McNab	200	0	0	0	200	Balance for equal pay which is under review on an annual basis.
Digital Strategy	Alan Puckrin	194	0	6	28	166	Project officer £88k over 2 years starting 01/10/21. £88k uncommitted.
Welfare Reform - Operational	Alan Puckrin	216	45	36	86	130	£60k unallocated balance.
Revenue Contingency	Alan Puckrin	43	0	0	16	27	£23k currently uncommitted.
Anti-Poverty Fund	Alan Puckrin	996	0	38	200	796	Projecting £425k is needed to meet cost of Pupil Payments during 2022/23
Community Support Fund	Tony McEwan	200	56	50	100	100	Kilblain Street Premises purchased for Tail O The Bank Credit Union.
HSCP NDR Relief	Alan Puckrin	7	0	0	3	4	£7k NDR relief Tail O The Bank.
HSCP Digital Devices	Craig Given	10	0	0	0	10	£10k HSCP Digital Devices .
Resilience & Insurance Claims - Training	Steven McNab	20	0	0	20	0	HR training as required eg. £5k moving and handling training, £1.5k face fit testing, £7k mediation training & HR Mental Health training.
GDPR	Anne Sinclair	50	2	1	19	31	Information governance system contract awarded (2yr+1yr+1yr). Spend committed - £10k per year. Corporate training is being organised, £11k Workpro training December 2021. £1.5k spent in P5, Law Society.
Promotion and Tourism (ERR)	George Barbour	50		0	50	0	Additional marketing and support for events.
Recruitment of Chief Executive	Steven McNab	20	10	8	8	12	Recruitment costs to cover recruitment of new Chief Exec which has now taken place. Full costs of £8k. £12k to be written back 31/03/22.
<b>Total Category C to E</b>		<b>2,006</b>	<b>113</b>	<b>139</b>	<b>530</b>	<b>1,476</b>	

Policy & Resources CommitteeRevenue Budget Monitoring ReportPosition as at 30th September 2021

Committee	Approved Budget 2021/2022	Revised Budget 2021/2022	Projected Out-turn 2021/2022	Projected Over/(Under) Spend	Percentage Variance
	£,000's	£,000's	£,000's	£,000's	
Policy & Resources	18,902	18,500	18,833	333	1.80%
Environment & Regeneration	22,019	21,872	22,127	255	1.17%
Education & Communities ( <b>Note 1</b> )	95,926	92,725	92,464	(261)	(0.28%)
Health & Social Care	54,652	54,714	55,236	522	0.95%
<b>Committee Sub-Total</b>	<b>191,499</b>	<b>187,811</b>	<b>188,660</b>	<b>849</b>	<b>0.45%</b>
Loan Charges (Including SEMP)	11,586	16,174	16,174	0	0.00%
Identified Savings ( <b>Note 2</b> )	4	4	4	0	0.00%
Earmarked Reserves	0	645	645	0	0.00%
<b>Total Expenditure</b>	<b>203,089</b>	<b>204,634</b>	<b>205,483</b>	<b>849</b>	<b>0.41%</b>
<b>Financed By:</b>					
General Revenue Grant/Non Domestic Rates	(169,418)	(170,963)	(170,963)	0	0.00%
Contribution from General Reserves	(1,049)	(1,049)	(1,049)	0	100.00%
Council Tax	(32,622)	(32,622)	(32,622)	0	0.00%
Integration Joint Board - Contribution from IJB Reserves	0	0	(522)	(522)	100.00%
<b>Net Expenditure</b>	<b>0</b>	<b>0</b>	<b>327</b>	<b>327</b>	

**Note 1 - Reduction reflects loans charges and earmarked reserves.**

**Note 2 - Identified savings to be allocated**

**Earmarked Reserves Position Statement**

**Appendix 8**

**Summary**

<u>Committee</u>	<u>Total Funding 2021/22</u>	<u>Phased Budget to</u>	<u>Actual Spend To 30 Sept 2021</u>	<u>Variance Actual to Phased Budget</u>	<u>Projected Spend 2021/22</u>	<u>Earmarked 2022/23 &amp; Beyond</u>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Education & Communities	4,108	250	230	(20)	2,007	2,101
Health & Social Care	2,891	199	300	101	1,048	1,843
Regeneration & Environment	5,158	166	173	7	1,334	3,824
Policy & Resources	2,006	113	139	26	627	1,379
	14,163	728	842	114	5,016	9,147

<u>2021/22 %age Spend Against Projected</u>	<u>2021/22 %age Over/(Under) Spend Against Phased Budget</u>
11.46%	(8.00%)
28.63%	50.75%
12.97%	4.22%
22.17%	23.01%
16.79%	15.66%

**Actual Spend v Phased Budget Ahead Phasing = £114k 15.66%**

**Last Update (Period P5 ) Ahead of Phasing = £82k**

**Movement £32k**

**Appendix 9**

**GENERAL FUND RESERVE POSITION**  
**Position as at 30/09/21**

	<u>£000</u>	<u>£000</u>
Unaudited Balance 31/03/21 <b>Note 1</b>		4890
Projected Surplus/(Deficit) 2021/22	(327)	
Contribution to/(from) General Fund Reserves	<u>0</u>	(327)
Projected Unallocated Balance 31/03/22		<b><u>4563</u></b>

**Minimum Reserve required is £4 million**

**Note 1** Any adjustments identified through the audit will be reported to February Policy & Resources

**COVID 19 Fund - Costs and Income 2021/22 on- Position as at 8.10.21**

Proposal	Total Estimated Cost £'000	Estimate 2021/22 £'000	Estimate 2022/23 £'000
<b>Education, Communities &amp; ODHR</b>			
Inverclyde Leisure	2,543	1,745	798
Balance from FSM/£100 payments grants	92	92	
Summer/Winter 2021 £100 payments	631	631	
October £160 & Extra £60 Winter payment 2021	450	450	
FSM Holiday Payments Summer 21 - Easter 22	532	532	
Schools Digital Exclusion - Devices	37	37	
Loss of School Meal Income	0	0	
Lower provision of School Meals	0	0	
Loss of Wraparound income	30	30	
Cleaning/PPE 2021/22	182	182	
Additional School Cleaning costs	117	117	
Additional ELC Cleaning costs	40	40	
Allowance for Handsanitiser/PPE - Council Wide	100	100	
Balance of Education Recovery Grant	28	28	
Extra teachers & support staff -20/22	829	829	
Extra teachers & support staff -21/22	951	951	
Support for Education during lockdown	714	714	
Homeworking equipment	39	39	
Increased support for Health & Wellbeing of employees	35	35	

<b>Environment, Regeneration &amp; Resources</b>			
Increased Cleaning- Non School/ELC Buildings	38	38	
Planning income - reduction in demand	135	135	
Discretionary Business Grants	415	415	
Parental Employment Support Fund Boost	88	88	
2 x Temporary Business Development Officers	120	80	40
Vaccination Centre Costs 1.4.21-30.6.21	198	198	

Comments
Based on net income loss and IL Draft 20/21 Figures. Post May21 P&R approval
£83k FSM and £9k £100 Easter payments balance. Funding shortfall in school holiday payments arising from £0.50/day extra Council payment plus £9k towards £100 payments below.
£408k from share of £23.066m Grant which = 80% of expected funding. Claim to be made for the balance which is estimated to be £100k.£123k vired from Hardship Fund to fund more generous qualifying criteria. £9k to come from B/Fwd Resources above
Part of the £520 Bridging Payment in 2021. Amount tbc
Share of £21.75million grant. Actual cost estimated to be £615k including £0.50/day extra cost funded from B/Fwd balance of £92k above
Share of £25million specific grant. £37k unused revenue grant carried forward
Figures to 30 June 2021. Fund from 20/21 ELC Underspend.
Balance of £220k Budget pressure net of £38k allocated to corporate estate
Covers period to 30.6.21 .Funded from £1.185m Recovery Grant
Funding to come from ELC 20/21 Underspend
Includes allowance for 21/22. Funded from £1.185m Recovery Grant
Balance of £1.185m Recovery Grant.
Funded by SG Grant for period to 30.6.22
Funded by £60 million SG Grant in 2021/22
Funded by SG £25m (Teachers) , Digital Inclusion £10m, Home Learning Support £10m. Total Council share £717k. Allocated, £180k Wifi, £206k extra delegated resources to schools and £331k teachers per Delegated Powers paper 2.2.21.
After transfer of £39k to ICT for headsets,
Increased staffing and Occupational Health costs

Non-School part of £220k Pressure funding
Approved CMT 23.9.21
Funded by Government Grant
Funded by Government Grant
Funded from Town Centres EMR
Claimed from the SG. Relates to hires/staffing/transport



**COVID 19 Fund - Costs and Income 2021/22 on- Position as at 8.10.21**

Proposal	Total Estimated Cost £'000	Estimate 2021/22 £'000	Estimate 2022/23 £'000	Comments
Waste Collection - Social Distancing & Agency Drivers	217	217		£118k To 30.9.21, further £99k agreed CMT 23.9.21 for the period to 22.2.22
Increased Waste Tonnage	120	120		Approved CMT 23.9.21 for period to 31.3.22
Extra EHO/Trading Standards Resources	46	46		Funded from £2.9m SG Grant, £27k funded 21/22
ICT: Equipment for Homeworking	25	25		Docking stations,screens, keyboards , headsets inc £39k transferred from HR Homeworking Fund for headsets
Extra technicians to support School Digital Inclusion	85	65	20	2 posts to 30.6.22. Funded from pressures thereafter
Scottish Welfare Fund - Crisis Grants	174	174		C/Fwd funded by increased Scottish Government Grant. Fully spend by 31.7.21
Administration of £130 CTR payments	20	20		Extra resource to manage the circa 10,000 payments
Self Isolation Support Grants Admin to 30.9.21	17	17		To help fund overtime etc in DPT during 21/22 due to increase in Self Isolation Support Grants
Tenants Hardship Grants	93	93		To assist with Covid related rent arrears
Other minor Expenditure areas	0	0		

<b>Corporate Expenditure</b>				
Council Tax, Loss of Income due to reduced collection levels	0	0		Collection levels reviewed mid-year and no funding now required
Council Tax Reduction	100	100		Sum reviewed/reduced as part of annual CTAS return Sept 2021
Hardship Fund C/Fwd	426	426		Funding £100 CTR payments(£393k) , is after £123k virement for summer/winter 2021 £100 payments. £33k unallocated
Level 4 Restrictions-C/fwd balance	248	248		To fund Pupil Anti-Poverty payments 2021/23
Recovery Plans- Short Term Actions	35	35		£10 HLF Bid and £25k Economic Study
Recovery Plans -Medium/Longer Term Actions	4,500	2,000	2,500	Approved March Council plus £500k per May P&R
Increased Vehicle Insurance costs- Social Distancing	24	24		38 extra vehicles impacted on premium charged
<b>Unallocated Contingency</b>	<b>1,310</b>	<b>1,310</b>		<b>Balancing figure</b>
<b>Gross Expenditure -</b>	<b>15,784</b>	<b>12,426</b>	<b>3,358</b>	
<b>Government Grants</b>				
£520 2021 Bridging Payment - Admin	(30)	(30)		Share of £1,200,000 Grant-21/22 GRG
2021 Bridging Payment Ph1 - Summer & Winter	(408)	(408)		Share of £23.066m Grant- 21/22 GRG
£520 2021 -Claim for Ph1 balance (est)	(100)	(100)		To be claimed 31.8.21 - Paid as 21/22 GRG
2021 Bridging Payment Ph2- October & Extra £120	(450)	(450)		Share of £25.430m Grant
£520 2021- Claim for Ph2 balance (est)				To be claimed 31.1.22 Paid as 21/22 GRG
Low Income £130 CTR Payment-Administration	(77)	(77)		Share of £3.82million Grant-21/22 GRG
2021/22 FSM Holiday Payments	(532)	(532)		Share of £21.75million Grant- 21/22 GRG
EHO/Trading Standards	(27)	(27)		Share of Funding- GRG 21/22
Test & Protect 1.4.21-30.6.21	(39)	(39)		Share of £2.275million - GRG 21/22
Test & Protect 1.7.21-30.9.21	(38)	(38)		Share of £2.275million - GRG 21/22

**COVID 19 Fund - Costs and Income 2021/22 on- Position as at 8.10.21**

Proposal	Total Estimated Cost £'000	Estimate 2021/22 £'000	Estimate 2022/23 £'000	Comments
Test & Protect 1.10.21-31.12.21	(38)	(38)		Share of £2.275million - GRG 21/22
SISG -Administration Costs	(17)	(17)		Share of £823k Grant for 2021/22-Specific Grant
Tenants Hardship Grant & Admin Payment	(98)	(98)		Share of £10 million Grant- 21/22 GRG
Business Grants-Administration	(28)	(28)		Share of £3 million -GRG 21/22
Vaccinations 2020/21	(149)	(149)		Specific Grant paid in 2021/22
Vaccinations 2021/22	(198)	(198)		Claim for 1.4.21-30.6.21 submitted 17.8.21
School Staffing 2021/22 Term	(951)	(951)		Share of £60million , 2021/22 GRG
General Covid support 28.1.21	(3,875)	(3,875)		Share of £259 million Grant -GRG 21/22
2021/22 Budget Announcement	(598)	(598)		Share of £40million Grant- GRG 21/22
<b>Gross Income</b>	<b>(7,653)</b>	<b>(7,653)</b>	<b>0</b>	
<b>Net Expenditure</b>	<b>8,131</b>	<b>4,773</b>	<b>3,358</b>	
<u>Other Funding</u>				
Early Years Grant Underspend 20/21	(70)	(70)		£30k Wraparound Income, £40k extra cleaning
<u>Corporate Resources</u>				
'Resources carried forward from 2020/21	(8,061)	(8,061)		Carry forward of Unused SG Grants and Council reserves from 2020/21 and includes £256k for double count of Food Fund spend in 20/21
	(8,131)	(8,131)	0	
<b>Balance to be Funded</b>	<b>0</b>	<b>(3,358)</b>	<b>3,358</b>	