
Report To:	Education & Communities Committee	Date:	30 August 2022
Report By:	Interim Director, Finance & Corporate Governance and Corporate Director Education, Communities & Organisational Development	Report No:	FIN/47/22/AP/IC
Contact Officer:	Iain Cameron	Contact No:	01475 712832
Subject:	Communities Revenue Budget Report - Final Outturn 2021/22 and 2022/23 Projected Outturn at 30 June 2022		

1.0 PURPOSE AND SUMMARY

- 1.1 For Decision For Information/Noting
- 1.2 To advise Committee of the 2021/22 Communities Revenue Budget final out turn and the 2022/23 Revenue Budget position at 30 June 2022.
- 1.3 In 2021/22, excluding Earmarked Reserves, there was an under spend of £203,000 against a revenue budget figure of £4.521m This equates to 4.5% of the total budget and was £111,000 less expenditure than previously reported to Committee in March 2022. More details are provided in section 3 of the report.
- 1.4 The total Communities Revenue Budget for 2022/23, excluding Earmarked Reserves, is currently £4,362,310. The latest projection is an overspend of £83,000 (1.9%). More details are provided in section 3 of the report and the appendices.

2.0 RECOMMENDATIONS

- 2.1 It is recommended that the Committee note the final out turn for the 2021/22 Communities Revenue Budget and note the current projected overspend for 2022/23 of £83,000 as at 30 June 2022.
- 2.2 It is recommended that the Committee note that the Corporate Director Education, Communities and Organisational Development and Heads of Service will review areas where non-essential spend can be reduced in order to bring the Committee back on budget. Progress against this and other proposals to bring the budget back on track, if required, will be reported at the next Committee.

Alan Puckrin
Interim Director, Finance
& Corporate Governance

Ruth Binks
Corporate Director, Education
Communities & Organisational Development

3.0 BACKGROUND AND CONTEXT

- 3.1 The purpose of this report is to advise Committee of the current position of the 2022/23 Revenue Budget as well as the 2021/22 final out turn and to highlight the main variances contributing to the £203,000 under spend for 2021/22 and the projected overspend of £83,000 for 2022/23.
- 3.2 The current Communities Revenue Budget for 2022/23 is £4,362,310 which is an increase of £15,740 from the Approved Budget. Appendix 1 provides more details of the budget movement.
- 3.3 **2021/22 Out Turn**

The final out turn for the Communities 2021/22 Revenue Budget, excluding Earmarked Reserves was an under spend of £203,000. This was £111,000 less expenditure than reported to the last Committee in March 2022.

The performance in specific service areas was:

	Revised Budget 2021/22 £000	Out Turn 2021/22 £000	Variance To Budget £000	P9 Projected Variance £000	Movement Since P9 Projection £000
Libraries & Museum	1,691	1,664	(27)	51	(78)
Sports & Leisure	932	968	36	(41)	77
Community Safety	519	462	(57)	(44)	(13)
Community Halls	962	827	(135)	(58)	(77)
Grants to Vol Organisations	418	398	(20)	0	(20)
TOTAL NET EXPENDITURE	4,522	4,319	(203)	(92)	(111)

- 3.4 The major variances making up the under spend were as follows -

- (a) Underspend of £56,000 for Employee Costs due to a number of vacant posts within Community Safety and School Crossing Patrollers.
- (b) Underspend of £65,000 for Libraries Office Accommodation charges.
- (c) Shortfall of £60,000 for Libraries & Museum Income.
- (d) Over recovery of £99,000 for School Lets Income.

3.5 2022/23 Projected Outturn (£83,000 overspend 1.9%)

The main projected variances contributing to the net overspend are listed below -

- (a) Projected overspend of £78,000 for Libraries & Museum. Employee costs are projected to overspend by £20,000 and Income is projected to have a shortfall of £55,000.
- (b) Projected overspend of £74,000 for Sports and Leisure. Free swimming for Under 16s is projected to overspend by £83,000. A more detailed report on this matter will be presented to the next meeting of the Committee.
- (c) Projected underspend of £54,000 for Community Safety Employee Costs due to vacant posts.
- (d) Projected underspend of £21,000 for Community Halls due to the over recovery of Income for School Lets.

3.6 EARMARKED RESERVES

Appendix 4 gives an update on the operational Earmarked Reserves, ie excluding strategic funding models. Spend to date on these operational Earmarked Reserves is zero. Expenditure levels are being reviewed to ensure that all expenditure is being allocated correctly.

4.0 PROPOSALS

- 4.1 The projected over spend of £83,000 requires to be addressed and progress will be included in a report to the next meeting of the Committee. In the meantime the Corporate Director will ensure that steps are taken to reduce expenditure where this will not have a direct impact on service delivery.

5.0 IMPLICATIONS

- 5.1 The table below shows whether risks and implications apply if the recommendation(s) is(are) agreed:

SUBJECT	YES	NO	N/A
Financial	x		
Legal/Risk	x		
Human Resources		x	
Strategic (LOIP/Corporate Plan)		x	
Equalities & Fairer Scotland Duty			x
Children & Young People's Rights & Wellbeing			x
Environmental & Sustainability			x
Data Protection			x

5.2 Finance

The projected over spend of £83,000 requires to be addressed via a report to the next meeting of the Committee. In the interim, the Corporate Director will ensure that steps are taken to reduce expenditure where this will not have a direct impact on service delivery.

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
N/A					

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments
N/A					

5.3 Legal/Risk

The approved Governance Documents set out the roles and responsibilities of Committees and officers in ensuring budgets are not overspent and the process to be followed in the event an overspend is unavoidable.

5.4 Human Resources

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

5.5 Strategic

There are no specific strategic implications arising from this report.

6.0 CONSULTATION

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

7.0 BACKGROUND PAPERS

7.1 There are no background papers for this report.

Communities Budget Movement - 2022/23**Period 3 - 1st April 2022 to 30th June 2022**

Service	Approved Budget	Movements			Revised Budget	
	2022/23 £000	Inflation £000	Virement £000	Supplementary Budgets £000	Transferred to EMR £000	2022/23 £000
Libraries & Museum	1,653					1,653
Sport & Leisure	870		15			885
Community Safety	515					515
Community Halls	931					931
Grants to Voluntary Organisations	378					378
Totals	<u>4,347</u>	<u>0</u>	<u>15</u>	<u>0</u>	<u>0</u>	<u>4,362</u>

Movement Details

£000

External ResourcesInflation0Virement

Rankin Park from ERR

15

15Supplementary Budget015

COMMUNITIES**REVENUE BUDGET MONITORING REPORT****CURRENT POSITION****Period 3 - 1st April 2022 to 30th June 2022**

2021/22 Actual £000	Subjective Heading	Approved Budget 2022/23 £000	Revised Budget 2022/23 £000	Projected Out-turn 2022/23 £000	Projected Over/(Under) Spend £000	Percentage Over/(Under)
1,878	Employee Costs	1,881	1,881	1,853	(28)	(1.5%)
573	Property Costs	581	581	584	3	0.5%
1,047	Supplies & Services	1,033	1,048	1,048	0	-
7	Transport Costs	3	3	3	0	-
60	Administration Costs	75	75	75	0	-
2,023	Other Expenditure	1,089	1,089	1,163	74	6.8%
(1,269)	Income	(315)	(315)	(281)	34	(10.8%)
4,319	TOTAL NET EXPENDITURE	4,347	4,362	4,445	83	1.9%
0	Earmarked Reserves	0	0	0	0	
	Additional Funding Covid-19			0	0	
4,319	TOTAL NET EXPENDITURE excluding Earmarked Reserves	4,347	4,362	4,445	83	

2021/22 Actual £000	Objective Heading	Approved Budget 2022/23 £000	Revised Budget 2022/23 £000	Projected Out-turn 2022/23 £000	Projected Over/(Under) Spend £000	Percentage Over/(Under)
1,664	Libraries & Museum	1,653	1,653	1,731	78	4.7%
968	Sports & Leisure	870	885	959	74	8.4%
462	Community Safety	515	515	461	(54)	(10.5%)
827	Community Halls	931	931	916	(15)	(1.6%)
398	Grants to Vol Orgs	378	378	378	0	-
4,319	TOTAL COMMUNITIES	4,347	4,362	4,445	83	1.9%
0	Earmarked Reserves	0	0	0	0	
	Additional Funding Covid-19			0	0	
4,319	TOTAL NET EXPENDITURE excluding Earmarked Reserves	4,347	4,362	4,445	83	

COMMUNITIES**REVENUE BUDGET MONITORING REPORT****MATERIAL VARIANCES****Period 3 -1st April 2022 to 30th June 2022**

<u>Out Turn</u> <u>2021/22</u> <u>£000</u>	<u>Budget</u> <u>Heading</u>	<u>Budget</u> <u>2022/23</u> <u>£000</u>	<u>Proportion</u> <u>of Budget</u>	<u>Actual to</u> <u>30-Jun-22</u> <u>£000</u>	<u>Projection</u> <u>2022/23</u> <u>£000</u>	<u>(Under)/Over</u> <u>Budget</u> <u>£000</u>	<u>Percentage</u> <u>Over / (Under)</u>
	Libraries & Museum						
1,198	Employee Costs	1,215	278	284	1,235	20	1.6%
(21)	Income	(67)	(17)	(5)	(12)	55	(82.1%)
	Sports & Leisure						
151	U16 Free Swimming	120	35	64	203	83	69.2%
	Community Safety						
416	Employee Costs	474	109	90	420	(54)	(11.4%)
	Community Halls						
(239)	School Lets Income	(139)	(35)	(40)	(160)	(21)	15.1%
Total Material Variances		1,603	370	393	1,686	83	

EARMARKED RESERVES POSITION STATEMENT

COMMITTEE: Communities

<u>Project</u>	<u>Lead Officer/ Responsible Manager</u>	<u>Total Funding 2022/23</u>	<u>Phased Budget Period 3 2022/23</u>	<u>Actual Period 3 2022/23</u>	<u>Projected Spend 2022/23</u>	<u>Amount to be Earmarked for 2022/23 & Beyond</u>	<u>Lead Officer Update</u>
		£000	£000	£000	£000	£000	
Community Fund (Participatory Budgets)	Tony McEwan	40	0	0	40	0	Funding for Gibshill CC and Port Glasgow BC. Will be fully spent in 2022/23.
Community Support Fund	Tony McEwan	50	0	0	50	0	Possible funding for Inverclyde Shed.
Summer of Fun	Tony McEwan	25	0	0	25	0	Contribution to Pictures in Park & Cultural Events.
Total		115	0	0	115	0	