
Report To:	Education & Communities Committee	Date:	1 November 2022
Report By:	Interim Director Finance & Corporate Governance and Corporate Director Education, Communities & Organisational Development	Report No:	FIN/58/22/AP/IC
Contact Officer:	Iain Cameron	Contact No:	01475 712832
Subject:	Communities Revenue Budget Report - 2022/23 Projected Outturn at 31 August 2022		

1.0 PURPOSE AND SUMMARY

- 1.1 For Decision For Information/Noting
- 1.2 To advise Committee of the 2022/23 Revenue Budget position at 31 August 2022.
- 1.3 The total Communities Revenue Budget for 2022/23, excluding Earmarked Reserves, is currently £4,366,410. The latest projection is an overspend of £58,000 (1.3%), which is a reduction in spend of £25,000 since Period 3. 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 current projected overspend for 2022/23 of £58,000 as at 31 August 2022.
- 2.2 It is recommended that the Committee note that the Corporate Director Education, Communities and Organisational Development and Heads of Service will continue to review areas where non-essential spend can be reduced in order to alleviate this overspend.

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 and to highlight the main variances contributing to the projected overspend of £58,000 for 2022/23.
- 3.2 The current Communities Revenue Budget for 2022/23 is £4,366,410 which is an increase of £19,840 from the Approved Budget. Appendix 1 provides more details of the budget movement.
- 3.3 **2022/23 Projected Outturn (£58,000 overspend 1.3%)**

The main projected variances contributing to the net overspend are listed below and in Appendix 3:

- (a) Projected overspend of £73,000 for Libraries & Museum. Employee costs are projected to overspend by £15,000 and income is projecting a shortfall of £55,000. This has been submitted as a 2023/24 Budget Pressure.
- (b) Projected overspend of £71,000 for Sports and Leisure. Free swimming for Under 16s is projected to overspend by £80,000. Under 16 Swimming is the subject of a 2023/25 Budget saving option; the outcome and implications of which will be reported to Committee in January.
- (c) Projected underspend of £46,000 for Community Safety Employee Costs due to vacant posts.
- (d) Projected underspend of £40,000 for Community Halls due to the over recovery of Income for School Lets (£21,000) and underspend for Summer Playschemes (£23,000)

3.4 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 £908,000 (which is 100% of phased budget and 67% of total projected spend).

4.0 PROPOSALS

- 4.1 The projected over spend of £58,000 continues 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. It is anticipated that overall Education and Communities will outturn within budget. Education is currently reporting to outturn £33,000 under budget but it is expected that this position will improve further.

5.0 IMPLICATIONS

- 5.1 The table below shows whether risks and implications apply if the recommendations 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 £58,000 will continue to be addressed and reported 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 5 - 1st April 2022 to 31st August 2022**

Service	Approved Budget	Movements			Transferred to EMR £000	Revised Budget 2022/23 £000
	2022/23 £000	Inflation £000	Virement £000	Supplementary Budgets £000		
Libraries & Museum	1,653		3			1,656
Sport & Leisure	870		15			885
Community Safety	515					515
Community Halls	931		1			932
Grants to Voluntary Organisations	378					378
Totals	4,347	0	19	0	0	4,366

Movement Details

£000

External Resources**Inflation****Virement**Rankin Park from ERR
Insurance Virement**Supplementary Budget**

0

15
4

19

0

19

COMMUNITIES**REVENUE BUDGET MONITORING REPORT****CURRENT POSITION****Period 5 - 1st April 2022 to 31st August 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	1,935	1,908	(27)	(1.4%)
573	Property Costs	581	581	584	3	0.5%
1,047	Supplies & Services	1,033	1,049	1,049	0	-
7	Transport Costs	3	3	3	0	-
60	Administration Costs	75	79	79	0	-
2,023	Other Expenditure	1,089	1,093	1,141	48	4.4%
(1,269)	Income	(315)	(374)	(340)	34	(9.1%)
4,319	TOTAL NET EXPENDITURE	4,347	4,366	4,424	58	1.3%
0	Earmarked Reserves	0	0	0	0	
4,319	TOTAL NET EXPENDITURE EXCLUDING EARMARKED RESERVES	4,347	4,366	4,424	58	1.3%

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	1,656	1,729	73	4.4%
968	Sports & Leisure	870	885	956	71	8.0%
462	Community Safety	515	515	469	(46)	(8.9%)
827	Community Halls	931	932	892	(40)	(4.3%)
398	Grants to Vol Orgs	378	378	378	0	-
4,319	TOTAL COMMUNITIES	4,347	4,366	4,424	58	1.3%
0	Earmarked Reserves	0	0	0	0	
4,319	TOTAL NET EXPENDITURE EXCLUDING EARMARKED RESERVES	4,347	4,366	4,424	58	1.3%

COMMUNITIES**REVENUE BUDGET MONITORING REPORT****MATERIAL VARIANCES****Period 5 -1st April 2022 to 31st August 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>31-Aug-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>
(21)	Libraries & Museum Income	(67)	(28)	(6)	(12)	55	(82.1%)
151	Sports & Leisure U16 Free Swimming	120	50	102	200	80	66.7%
416	Community Safety Employee Costs	474	181	155	428	(46)	(9.7%)
17	Community Halls Playschemes	40	40	17	17	(23)	(57.5%)
(239)	School Lets Income	(139)	(58)	(40)	(160)	(21)	15.1%
Total Material Variances						45	

EARMARKED RESERVES POSITION STATEMENT

COMMITTEE: Communities

<u>Project</u>	<u>Lead Officer/ Responsible Manager</u>	<u>Total Funding 2022/23</u> £000	<u>Phased Budget Period 5 2022/23</u> £000	<u>Actual Period 5 2022/23</u> £000	<u>Projected Spend 2022/23</u> £000	<u>Amount to be Earmarked for 2022/23 & Beyond</u> £000	<u>Lead Officer Update</u>
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	Drumshantie Road building will be demolished, EMR will possibly be used for another Community Asset transfer
COVID 19 - Recovery of Cultural Events	Tony McEwan	10	0	0	10	0	Funding will pay for external consultant working on Heritage Lottery bid for Libraries
Covid - Inverclyde Leisure Recovery	Tony McEwan	1,076	789	789	1,076	0	IL have used £789k to offset against payroll costs. Additional funding of £278k was approved by Sept P&R Committee
Covid Recovery - Lighting Gourock Amphitheatre	Tony McEwan	29	0	0	29	0	Work has started and expected to be completed 2022/23. Currently awaiting parts to complete.
Covid Recovery - Signage for Rankin Park	Tony McEwan	9	0	0	9	0	Awaiting final decision for Indoor Tennis project to allow completion.
Covid Recovery - Allocation to Localities for Recovery Events	Tony McEwan	120	120	119	120	0	Payments to various community groups for events over summer months -Complete
Summer of Fun	Tony McEwan	25	0	0	25	0	Contribution to Pictures in the Park event & other Cultural Events.
Total		1,359	909	908	1,359	0	