
Report To:	The Inverclyde Council	Date:	15 December 2022
Report By:	Interim Director Finance & Corporate Governance	Report No:	FIN/75/22/AP/LA
Contact Officer:	Alan Puckrin	Contact No:	01475 712090
Subject:	2023/25 Budget Update & Proposals		

1.0 PURPOSE AND SUMMARY

- 1.1 For Decision For Information/Noting
- 1.2 The purpose of this report is to provide updates in respect of the 2023/25 Revenue Budget, 2023/26 Capital Programme, earmarked reserves and seek approval for a number of savings/adjustments whilst outlining the post Christmas break activity relating to the Budget.
- 1.3 The Deputy First Minister is expected to announce the Draft Scottish Budget on 15 December and within that the Local Government Settlement. Details for Inverclyde are expected on the 19 December. All indications are that the revenue settlement will be for one year only.
- 1.4 Officers have continued to identify opportunities to close the estimated funding gap and Appendix 1 contains proposals totalling £1.14million. Additionally, the Members Budget Working Group (MBWG) are proposing further savings totalling £2.585 million listed in Appendix 2, which if agreed by the Council will exceed the remit of agreeing £4 million worth of savings before Christmas.
- 1.5 The MBWG have considered potential write backs from existing earmarked reserves and proposals totalling £1.46million are shown in Appendix 4. This appendix includes approvals from the 1 December Council meeting following the most recent update of the Financial Strategy. Reserves will play a significant role in the final Budget proposals with the Service Concession proposal, due to be reported to Policy & Resources Committee on 31 January 2023 playing an important part.
- 1.6 The Education & Communities Committee have been advised of the significant funding gap faced by Inverclyde Leisure due to a combination of income reductions and inflationary increases in utilities/employee costs. As things stand this will require an increase of well over 100% in the Management Fee paid by the Council. Options prepared by officers to reduce the funding gap are summarised in Appendix 5 and will be subject to consultation with the public in January.
- 1.7 Given the extent of the financial challenges facing the Council and the role that Council Tax could play in delivering a balanced budget it is recommended that the Council Tax level for 2023/24 is agreed on the same day as the Budget. The latest date that Council Tax could be set in order to issue annual bills in the appropriate timescale is Thursday 2 March.

2.0 RECOMMENDATIONS

- 2.1 It is recommended that the Council approve the proposals to reduce the funding gap set out in Appendix 1.
- 2.2 It is recommended that, after considering the views expressed in the Public Consultation, and having due regard to the implications of the same as referred to in Section 5 of this report, the Council approve the proposed savings set out in Appendix 2 and note that any further savings required to balance the 2023/24 Budget will be considered at the Council Tax setting/Budget meeting of the Council.
- 2.3 It is recommended that the Council notes the remaining estimated 2023/25 Funding Gap shown in Appendix 3 on the basis the proposals in Appendices 1 and 2 are agreed.
- 2.4 It is recommended that the Council approve the write backs from earmarked reserves totalling £1.460 million in Appendix 4, agree that officers report back to the Environment & Regeneration Committee on the proposals for the use of the unallocated Repopulation and Business Support funding, note the latest projected unallocated reserves balance and approve the use of Reserves shown in paragraph 5.2.
- 2.5 It is recommended that the Council approve the further increase of £270,000 in the 2023/24 IL funding pressure due to recently advised further increases in utility costs and note the savings options prepared by officers relating to services delivered by Inverclyde Leisure in Appendix 5 which will be subject to Public Consultation in January.
- 2.6 It is recommended that the Council note that the Policy & Resources Committee on 31 January 2023 will consider the impact of the Scottish Government Draft Budget and a proposal in relation to the Council's Service Concession (PPP) accounting.
- 2.7 It is recommended that the Council agree that a special meeting of the Council to approve the 2023/24 Budget, 2023/26 Capital Programme and approve the level of Band D Council Tax for 2023/24 be held on 2 March 2023.
- 2.8 It is recommended that the Council agree to delegate authority to the Head of Legal & Democratic Services to re-schedule the meeting of the Environment & Regeneration Committee currently scheduled for 2 March 2023, in consultation with the Convenor of Environment & Regeneration Committee and relevant officers.

Alan Puckrin
Interim Director, Finance & Corporate Governance

3.0 BACKGROUND AND CONTEXT

- 3.1 Members have received regular reports relating to the 2023/25 Budget since the summer of 2022. The most recent position was reported in the Financial Strategy update to the 1 December Council where the estimated 2023/25 funding gap was £16.2million. In August 2022 the Policy & Resources Committee agreed that savings totalling £4million should be agreed prior to Christmas to address the use of Reserves in 2022/23 to balance the Budget.
- 3.2 Following the UK Government's Autumn Statement on 17 November, it is expected that the Deputy First Minister will announce the Draft Scottish Budget on 15 December. All indications are that this will only be for 2023/24 which would impact on the ability of the Council to set a firm 2023/25 Revenue Budget.
- 3.3 The volatility of inflation/interest rates continues to provide challenges in providing Members with robust estimates and projections. Allied to this the teacher pay award for 2022/23 remains unresolved and this could add further to the 2023/24 funding pressures. Discussions are on going between Cosla and the Scottish Government around the extent of any Financial Flexibilities, the implementation of which were raised as part of the joint funding of the 2022/23 pay award. Some clarification is anticipated as part of the Draft Budget announcement.
- 3.4 The Council will set a three year Capital Budget covering 2023/26 as part of the overall Budget. As previously reported, the Capital Budget is also under considerable pressure with previous reductions in Scottish Government grant and significant cost pressures in capital projects due to inflation and contractor shortages in certain sectors. Work is on going in developing proposals and will be reported to Members in early 2023.
- 3.5 The MBWG have continued to meet weekly to consider a wide range of matters relating to the Budget. In tandem, discussions continue to take place with Trades Unions colleagues via the Joint Budget Group. In addition, a Public Consultation on the savings options took place in October with an Elected Member briefing taking place on 22 November. A link to the full consultation is included in Section 6.
- 3.6 The Education & Communities Committee have been advised of the significant funding gap faced by Inverclyde Leisure (IL) due to a combination of income reductions and inflationary increases in utilities/employee costs. Officers have continued to engage positively with the Chief Executive of IL and his team on possible options to reduce this pressure.
- 3.7 Reserves will play a significant part in shaping the finalised Budget proposals with the Service Concession (PPP) review expected to have a key role. Officers are being supported by the Council's external Treasury consultants in assessing the impacts.

4.0 PROPOSALS

- 4.1 Appendix 1 contains a number of recurring saving proposals totalling £1.14million. Three of these were reported as part of the December review of the Financial Strategy whilst two relate to IL. If approved this will require setting aside £400,000 from Reserves to smooth the 2023/26 funding gap for IL.
- 4.2 Appendix 2 contains the proposed savings from the MBWG to meet the requirement for £4million savings to be agreed before the Christmas Break. It can be seen that the savings total £2.585 million when fully delivered and will result in a reduction of 15.5 FTE posts. Appendix 3 thereafter shows the estimated 2023/25 revenue funding gap on the basis the proposals in Appendices 1 and 2 are agreed.

- 4.3 The MBWG considered proposals from the CMT regarding the write back of some earmarked reserves. The resulting proposals from the MBWG are shown in Appendix 4 which if agreed would add £1.460 million to available reserves. In addition, Appendix 4 shows the impact on reserves of time limited projected gains in Internal Resources Interest (IRI) over 2023/26 and the increased IRI in 2022/23.
- 4.4 The cost pressures/income shortfall previously identified by IL will require an increase of over 120% in the Management Fee paid by the Council. In late November clarification was received in respect of further utility price rises in 2023/24 which increases the IL funding pressure by £270,000. Options to reduce the funding gap developed by officers are summarised in Appendix 5 and will be subject to consultation with the public in January. It should be noted that there would be one off costs associated with the implementation of a number of these proposals and these would require to be met from either the existing Capital Programme or Reserves.
- 4.5 Work is nearing completion on the Service Concession (PPP) review and as things stand a recurring saving and a substantial one-off increase in Reserves is possible subject to Council approval. Reports will be presented to the MBWG / Policy & Resources Committee in January and the full Council in February 2023.
- 4.6 On a number of occasions in recent years the Council has separated the Council Tax and Budget decisions. This was possible due to both restrictions on the level of Council Tax increases and also the relatively small remaining funding gap allied with the level of unallocated Reserves. All these matters are less clear for 2023/25 and as such it is recommended that both decisions are taken on the same day. The latest day for approving the Band D Council Tax for 2023/24 which allows bills to be properly issued to households is 2 March 2023. It should be noted that this clashes with a scheduled Environment & Regeneration Committee due to start at 3.00pm.
- 4.7 In the usual way, officers have completed Equality Impact Assessments, a Fairer Scotland Duty Assessment and a Children's Rights and Wellbeing Impact Assessment in respect of the savings proposals set out in this report, as referred to in Section 5. These assessments have all been shared with elected members in advance of this meeting, and copies are also available to view on the Council's website. Elected members must have due regard to these Assessments in considering the proposals in this report.

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

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
Various	Earmarked Reserves	2022/23	(£1.46million)		Write backs proposed in Appendix 4
General Fund Reserves	IL Smoothing Reserve	2023/26	£0.400million		Smoothing Reserve to allow delivery of £200,000 IL Management Fee saving from 2023/24

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments
Inverclyde Leisure	Utility Costs	2023/24	£0.270 million		Based on Nov 2022 information
Various	Various	2023/24	(£1.14million)		Proposals in Appendix 1
		2023/26	(£2.585million)		Proposals in Appendix 2 with £1.908 million due in 2023/24.

5.3 Legal/Risk

Setting a legally balanced budget is a statutory requirement for the Council. The proposals within this report further progress the Council towards meeting this requirement.

5.4 Human Resources

If approved, the savings proposals will result in a reduction of 15.5 FTE posts which will be progressed in line with Council Policies and in full consultation with employees and trades unions.

5.5 Strategic

The strategic impact has formed part of the assessment of savings by officers and Elected members.

5.6 Equalities and Fairer Scotland Duty

EqIAs have been completed for all relevant savings, have been issued to Elected Members and are available on the website. [Equality Impact Assessments - Inverclyde Council](#)

(a) Equalities

This report has been considered under the Corporate Equalities Impact Assessment (EqIA) process with the following outcome:

x	YES – Assessed as relevant and an EqIA is required.
	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, assessed as not relevant and no EqIA is required. Provide any other relevant reasons why an EqIA is not necessary/screening statement.

(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?

An FSD assessment is carried out as part of the overall Budget with the current version on the equalities page on the website..

x	YES – A written statement showing how this report’s recommendations reduce inequalities of outcome caused by socio-economic disadvantage has been completed.
	NO – Assessed as not relevant under the Fairer Scotland Duty for the following reasons: Provide reasons why the report has been assessed as not relevant.

5.7 Children and Young People

Has a Children’s Rights and Wellbeing Impact Assessment been carried out?

x	YES – Assessed as relevant and a CRWIA has been completed for relevant savings
	NO – Assessed as not relevant as this report does not involve a new policy, function or strategy or recommends a substantive change to an existing policy, function or strategy which will have an impact on children’s rights.

5.8 Environmental/Sustainability

Summarise any environmental / climate change impacts which relate to this report.

Environmental impacts are identified within individual savings proposals.

Has a Strategic Environmental Assessment been carried out?

	YES – assessed as relevant and a Strategic Environmental Assessment is required.
x	NO – This report does not propose or seek approval for a plan, policy, programme, strategy or document which is like to have significant environmental effects, if implemented.

6.0 CONSULTATION

6.1 The MBWG support the proposals within this report.

The Council's recent Budget Consultation exercise was held in October 2022 and resulted in the highest level of engagement of any Budget Consultation by the Council with 3,667 responses. A report has been presented to Councillors and published on the council website in the consultation section 'your say' to download and read covering the answers to all questions posed for people savings, place savings, changes to charges, council tax and Inverclyde Leisure management fee. The link to the consultation is : [Budget Consultation 2022 - Inverclyde Council](#)

7.0 BACKGROUND PAPERS

7.1 There are no background papers.

2023/25 Budget
Savings- December Council Savings/Adjustments

ERR	Savings 2023/24 £000	Savings 2024/25 £000	Comments	FTE
1/				
2/				
ECOD				
1/ Reduction in IL funding shortfall- Irrecoverable VAT	140	140	It is proposed that, subject to appropriate checks & balances, the Council pays IL gas & electricity bills from 2023/24 thus saving IL irrecoverable VAT. This will reduce the Council's Management fee and require amendments to the Funding Agreement	0
2/ Reduction in IL funding shortfall- Use of Reserves	200	200	By allocating £400k to a smoothing reserve on the basis of estimated increases in income over 2023/26 it will be possible to reduce the IL funding pressure by a further £200k.	0
HSCP				
1/				
Corporate				
1/ Increased Council Tax Base	300	300	Following completion of the annual Council Tax base return for the Scottish Government the number of Band D equivalent properties can be increased further.	0
2/ Insurance Fund contributions Reduction Per December Financial Strategy	100	100	As reported in the December Financial Strategy, it is proposed to provide a 5 year £100k reduction in insurance premiums paid by services due to the level of the Insurance Fund balance	0
3/ City Deal Budget Reduction Per December Financial Strategy	100	100	As part of the December Financial Strategy review of Funding Models officers have identified a £100k annual reduction in the City Deal Funding Model revenue Budget.	0
4/ Internal Resources Interest- Net Increase Per December Financial Strategy	300	300	Due to the significant increase in interest rates the level of internal resources interest generated by the Council has increased markedly. The level of increase in budgeted income is net of projected increases in loans charges and is viewed as sustainable over the medium term.	0
5/				
Total	1140	1140		0

25/11/22

2023/25 Budget Process
December Savings Proposals

Appendix 2

Theme	Proposed Savings				Total £'000	FTE
	2023/24 £'000	2024/25 £'000	2025/26 £'000			
People	1079	388	0		1467	5.0
Place	542	141	0		683	9.7
CorporateCharging	287	122	26		435	0.8
Total December Savings	1908	651	26		2585	15.5

2023/25 Budget Process
December Savings Proposals

Theme: People

Page Reference	Saving Title	Proposal	Est Saving 2023/24 £000's	Est Saving 2024/25 £000's	Est Saving 2025/26 £000's	Est Saving Total £000's	Est FTE Impact	MBWBG Comments
29-33	Benefits	Reduction in benefit assessors	-	30	-	30	1.0	Use SG Financial Flexibilities & Reserves to smooth the impact
	Employability	Reduction in employability services	200			400	-	Use Reserves to smooth impact over 2023/25.
41-45	Anti Poverty Budget	Reduction to the recurring annual budget	600			600		
	Community Grants Fund	Reduction in grants available to community organisations by 25%	49	48		97	-	
65-68	Community Safety	Delete post within Community Safety	31	11		42	1.0	
	Cease Saturday Music Service	Cease Saturday Music Service	7	4		11	-	
105-108	Gaelic Transport	Cease to provide transport for pupils attending Gaelic Secondary School	27	13	-	40	-	
115-119	Fruit for Schools	Remove provision of Fruit for Schools	7	8		15	-	
	DMR	5% reduction in schools' DMR budget	20	19		39	-	
	Supported Study	Removal of Education HQ contribution to Supported Study	28			28	-	
121-125	EY Access to a Teacher	Reduction in number of 'Access to a Teacher' posts in EY. This is 3 FTE out of 6FTE.	110	55		165	3.0	
	Theme Total: People		1,079	388	-	1,467	5.00	

**2023/25 Budget Process
December Savings Proposals**

Theme: Place

Number	Saving Title	Proposal	Est Saving 2023/24 £000's	Est Saving 2024/25 £000's	Est Saving 2025/26 £000's	Est Saving Total £000's	Est FTE Impact	MBWBG Comments
ECOD/COM/12/2023	Communities Resources	30% reduction in Communities Resources Budget	25			25	-	
ECOD/COM/01/2023	School Lets	Reduce School lets availability	36	22		58	2.70	
ECOD/CUL/05/2023	Beacon Arts Contribution	Reduce contribution to Beacon Arts Centre by 10%	20			20	-	If Creative Scotland funding cut then use reserves to smooth impact
ECOD/FAC/02/2023	Janitorial Provision	Reduce the Janitorial Provision - Secondary Schools	32	19		51	2.00	
ER&R/ENV/06/2023	Roads Street Lighting	Street lighting maintenance budget reduction	50			50	-	
ER&R/ENV/07/2023	Winter Service Reductions	Reduce Winter service.	20			20	-	
ER&R/ENV/09/2023	Roads (Technical)	Reduction in roads technical and engineering section	134	-		134	2.00	
ER&R/ENV/10/2023	Roads Revenue Repairs	Reduce pothole budget by 50% and increase use of structured patching	150	50		200	2.00	Agreed on basis that there is an uplift in RAMP Capital
ER&R/PRO/01/2023	Central Repairs	Reduce by £125k after transfer £75k into Central Repairs from Early Years,	75	50		125	1.00	
			542	141	-	683	9.70	

2023/25 Budget Process
December Savings Proposals

Theme: Corporate/Charging

Number	Saving Title	Proposal	Est Saving 2023/24 £000's	Est Saving 2024/25 £000's	Est Saving 2025/26 £000's	Est Saving Total £000's	Est FTE Impact	MBWG Comments
ECOD/ODHR/02/2023	Corporate Policy	Reduction in Policy team	35	12		47	0.8	
ER&R/LEG/01/2023	Taxi Licence Fees	Uplift fees by 10%	16			16	-	
ER&R/REG/02/2023	Rent Increases	Increase Rental Income - Commercial & Industrial	-	30	26	56	-	
ER&R/REG/03/2023	RI SLA	Increase RI SLA charges	10			10	-	
ER&R/ENV/03/2023	Burial Grounds/Cremation Income	10% increase in charges.	108			108	-	
ER&R/ENV/05/2023	Garden Waste Income	Increase charge for garden waste to £40/annum	78			78	-	
ER&R/ENV/08/2023	Road Opening Charging	Increase the charge for section 56 road opening permits	5			5	-	
ER&R/ENV/08/2023	Permit Parking	Introduce business permits	25			25	-	
ER&R/ENV/08/2023	Electric Charging	Remove subsidy for electric charging	10			10	-	
ER&R/ENV/08/2023	Parking Charges	Increase daily parking charges by £1/day	-	80		80	-	
			287	122	26	435	0.8	

2023/25 Funding Gap Remaining

	2023/24	2024/25	Total
	£m	£m	£m
Block Grant	(0.9)	1.0	0.1
Inflation - Pay	3.0	2.0	5.0
- Non Pay	1.0	1.0	2.0
Pressures	0.6	0.6	1.2
2022/23 Inflation Shortfall (£2million Pay/£1million Non-pay)	3.0	0	3.0
Reduced Use of Reserves	2.0	2.0	4.0
Savings to March 2022	(0.2)	0	(0.2)
<u>Position as at June 2022 Financial Strategy</u>	8.5	6.6	15.1
Adjustments - August P&R	(0.4)	0	(0.4)
Savings - September P&R	(0.6)	0	(0.6)
NI Adjustment	(0.6)	0	(0.6)
Rephase increased Pay Inflation allowance	(0.6)	0.6	0
Rephase Pressures	0.5	(0.5)	0
Pressures Shortfall	0.9	0	0.9
Increased Non-Pay Inflation Shortfall 2023/24	2.4	0	2.4
Savings - November P&R	(0.6)	0	(0.6)
<u>Position as at December 2022 Financial Strategy</u>	9.5	6.7	16.2
IL Utility cost increase 2023/24	0.3	0	0.3
Savings/Adjustments per Appendix 1	(1.1)	0	(1.1)
Savings per Appendix 2	(1.9)	(0.7)	(2.6)
	6.8	6.0	12.8

AP/LA
7/12/22

EARMARKED RESERVES POSITION STATEMENT

Appendix 4 (1)

COMMITTEE: Education & Communities

<u>Project</u>	<u>Total Funding 2022/23</u> <u>£000</u>	<u>Projected Spend 2022/23</u> <u>£000</u>	<u>Amount to be Earmarked for 2023/24 & Beyond</u> <u>£000</u>	<u>Proposed to Write Back to General Fund Reserves</u> <u>£000</u>	<u>Comments / Impacts</u>
School Estate M P	16,033	15,988	0	45	Carry forward sum reduced due to increase in loans charges. Expenditure is UC Payments, Loan Charges and Repairs. Model closed December 2022.
Community Support Fund	50	0	0	50	Drumshantie Road building will be demolished. Proposed write back is the unallocated balance.
Covid Recovery - Signage for Rankin Park	9	0	0	9	New signage in place. Proposed write back is the unallocated balance.
Covid Recovery - Marketing Post & Support for Discover Inverclyde - 2 Years	162	96	46	20	The EMR supports a new temporary two year communications officer (tourism) post to support local delivery of tourism activity in partnership with the Discover Inverclyde tourism partnership. The two year post is funded from Nov 21 to Nov 23. Proposed write back is the unallocated balance.
Covid Recovery - Contribution to City Region Marketing Campaign - 2 Years	28	0	0	28	This EMR was to support joint marketing activities across the city region. Project not proceeding at this time.
Covid Recovery - Extra Duke of Edinburgh Opportunities - 2 years	198	87	61	50	Paying for 2 additional staff members and resources for expeditions. Proposed write back is the unallocated balance.
Covid Recovery - Additional Cleaning Materials/ Sanitiser/Wipes 2021/22	110	30	0	80	Facilities Management advise that there is no longer a requirement for extra materials, core budget is sufficient. Proposed write back is the unallocated balance.
Overall Total	16,590	16,201	107	282	

EARMARKED RESERVES POSITION STATEMENT

Appendix 4 (1)

COMMITTEE: Environment & Regeneration

<u>Project</u>	<u>Total Funding</u> 2022/23 £000	<u>Projected Spend</u> 2022/23 £000	<u>Amount to be Earmarked for 2023/24 & Beyond</u> £000	<u>Proposed to Write Back to General Fund Reserves</u> £000	<u>Comments / Impacts</u>
Anti Poverty - Apprenticeship Programme	306	45	0	261	Funding MA posts ends 31/12/22. Proposed write back is the unallocated balance.
Covid Recovery - Support for Digital Marketing	150	40	0	110	£40k required to work with companies to augment Digital Boost grant. Proposed write back is the unallocated balance.
Covid Recovery - Investment in Council Parks to encourage outdoor activity	200	155	20	25	Allocations to 9 parks throughout the district and work on going. Proposed write back is the unallocated balance.
Repopulating/Promoting Inverclyde/ Group Action Plan	257	158	99	0	£99k currently unallocated. Report to come to Committee on options for unspent balance.
Covid Recovery - Rent Relief Scheme	90	0	90	0	No allocations. Officers to report back to Committee on possible use.
Covid Recovery - Town Centre Promotion/Events	188	13	175	0	To cover 1 temp event & tourism officer 18.5 post starting 01/11/22 til Oct '23. Remaining budget after employee costs £163k. Officers to report back to Committee on possible use of unallocated balance.
Overall Total Check	1,191	411	384	396	

EARMARKED RESERVES POSITION STATEMENT

Appendix 4 (1)

COMMITTEE: Policy & Resources

<u>Project</u>	<u>Total Funding</u> <u>2022/23</u> <u>£000</u>	<u>Projected Spend</u> <u>2022/23</u> <u>£000</u>	<u>Amount to be Earmarked for 2023/24 & Beyond</u> <u>£000</u>	<u>Proposed to Write Back to General Fund Reserves</u> <u>£000</u>	<u>Comments / Impacts</u>
Equal Pay	200	0	100	100	Balance for equal pay which is under review on an annual basis. Proposed write back is a reduction in the allowance for legal costs.
Welfare Reform - Operational	153	67	50	36	£86k unallocated balance from 23/24. Write back part but helps service address workload peaks such as one off SG interventions etc. Proposed write back is a reduction in the allowance.
Community Facilities Digital Inclusion	116	1	15	100	Budget holders have confirmed that the project is delivered aside from Grieve Rd Community Centre. Proposed write back is the unallocated balance.
Covid Training	20	0	0	20	Training linked to the Workforce Refresh Programme. Proposed write back is the unallocated balance.
Covid - Recovery plans short term	24	0	0	24	Complete. Proposed write back is the unallocated balance.
Covid - Desks and Equipment	14	6	0	8	Support Health and Safety of employees working at home, providing equipment. This EMR is linked to DSE risk assessments of employees working at home. Proposed write back is the unallocated balance.
Covid Recovery - Flu Vaccines	12	3	0	9	This EMR will be used to secure flu jabs and offered to employees through ICON and wider communications. This rollout will be around December 2022. Proposed write back is a reduction in the allowance.
Covid Recovery - Contingency for new initiatives/increased costs	433	0	0	433	Unused balance proposed to be written back 31/03/23.
Support with Energy Bill Costs - £350 Payment	3,000	2,948	0	52	Proposed write back is the unallocated balance.
Overall Total Check	3,972	3,025	165	782	

December 2022 Budget Report - Projected Usable Reserves

	<u>£000</u>
Usable Balance 31/3/22	3719
<u>Available Funding:</u>	
Share of Scottish Government one off funding £120m 2022/23	1858
Estimated Deficit 2022/23 (Dec 2022- Post IRI Review)	-500
Surplus Internal Resources Interest - 2023/26	3500
Write Back - 15.12.22 Council Proposals (Appendix 4 (1))	1460
<u>Use of Balances:</u>	
Local Elections	-140
Loans Charges Funding Model- Dec Financial Strategy	-1200
IL Smoothing Reserve (see Appendix 1)	-400
Projected Usable Reserve Balance	8297

Minimum Reserve required is £4 million

**2023/25 Budget Process
February Savings Proposals**

Appendix 5

Theme: Inverclyde leisure

Saving Title	Proposal	Est Saving 2023/24 £000's	Est Saving 2024/25 £000's	Est Saving 2025/26 £000's	Est Saving Total £000's	Est FTE Impact	Comments
Town Halls	Staff Town Halls for bookings only	67	22		89	3.00	
Greenock Sports Centre	Close Centre & move Strength Shed to a repurposed Indoor Bowling Centre	115	58		173	7.00	Indoor Bowling will no longer be possible in the building
Port Glasgow Swimming Pool	Close Port Glasgow Swimming Pool building and relocate fitness gym members to existing facilities	195	65		260	7.00	Assumes disposal/demolition of building
Gourock Pool	Only open during the summer holidays on a single shift basis	34	-		34	-	
Community Facilities	Close Crawfurdsburn and Strone/Maukinhill Community Centres	4	2		6	-	Assumes disposal / demolition of buildings
Outdoor Facilities	Close Ravenscraig Athletics Stadium	27	9		36	2.00	
Staffing General	Reduction and restructure following VER Trawl	86	28		114	4.00	One off release costs to be paid by the Council
Totals		528	184	-	712	23.00	