
Report To:	Education & Communities Committee	Date:	24 January 2023
Report By:	Interim Director Finance & Corporate Governance and Corporate Director Education, Communities & Organisational Development	Report No:	FIN/76/22/AP/IC
Contact Officer:	Iain Cameron	Contact No:	01475 712832
Subject:	Communities Revenue Budget Report - 2022/23 Projected Outturn at 31 October 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 October 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 £70,000 (1.6%), which is an increase in expenditure of £12,000 since Period 5. 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 £70,000 as at 31 October 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 bring the projection back on budget.

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 £70,000 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 (£70,000 overspend 1.6%)**

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

- (a) Projected overspend of £64,000 for Libraries & Museum mainly due to an income shortfall of £55,000. A budget pressure from 2023/24 of £25,000 was agreed at the Policy & Resources Committee on 15 November 2022.
- (b) Projected overspend of £80,000 for Sports and Leisure due to an overspend on Free Swimming for Under 16s which is the subject of a 2023/25 Budget saving option.
- (c) Projected underspend of £41,000 for Community Safety Employee Costs due to vacant posts.
- (d) Projected underspend of £33,000 for Community Halls mainly due to the over recovery of Income for School Lets (£21,000) and underspend on Summer Playschemes (£20,000)

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 £933,000 (which is 99.9% of phased budget and 71.8% of total projected spend).

4.0 PROPOSALS

- 4.1 The Corporate Director will continue to 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 in spite of the current overspend; more detail is provided within the Education revenue report later in the agenda.

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 £70,000 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 7 - 1st April 2022 to 31st October 2022**

Service	Approved Budget 2022/23 £000	Movements			Revised Budget 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	<u>4,347</u>	<u>0</u>	<u>19</u>	<u>0</u>	<u>4,366</u>

Movement Details

£000

External Resources**Inflation**0**Virement**Rankin Park from ERR
Insurance Virement15
419**Supplementary Budget**019

COMMUNITIES**REVENUE BUDGET MONITORING REPORT****CURRENT POSITION****Period 7 - 1st April 2022 to 31st October 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	1,153	60	5.5%
(1,269)	Income	(315)	(374)	(340)	34	(9.1%)
4,319	TOTAL NET EXPENDITURE	4,347	4,366	4,436	70	1.6%
0	Earmarked Reserves	0	0	0	0	
4,319	TOTAL NET EXPENDITURE EXCLUDING EARMARKED RESERVES	4,347	4,366	4,436	70	1.6%

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	1,720	64	3.9%
968	Sports & Leisure	870	885	965	80	9.0%
462	Community Safety	515	515	474	(41)	(8.0%)
827	Community Halls	931	932	899	(33)	(3.5%)
398	Grants to Vol Orgs	378	378	378	0	-
4,319	TOTAL COMMUNITIES	4,347	4,366	4,436	70	1.6%
0	Earmarked Reserves	0	0	0	0	
4,319	TOTAL NET EXPENDITURE EXCLUDING EARMARKED RESERVES	4,347	4,366	4,436	70	1.6%

COMMUNITIES**REVENUE BUDGET MONITORING REPORT****MATERIAL VARIANCES****Period 7 -1st April 2022 to 31st October 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-Oct-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)	(39)	(11)	(12)	55	(82.1%)
151	Sports & Leisure U16 Free Swimming	120	85	127	200	80	66.7%
416	Community Safety Employee Costs	474	253	225	433	(41)	(8.6%)
17	Community Halls Playschemes	40	40	20	20	(20)	(50.0%)
(239)	School Lets Income	(139)	(81)	(40)	(160)	(21)	15.1%
Total Material Variances						53	

Appendix 4

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 7 2022/23</u> £000	<u>Actual Period 7 2022/23</u> £000	<u>Projected Spend 2022/23</u> £000	<u>Amount to be Earmarked for 2023/24 & 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	0	50	Balance will be written back as no commitments against this budget.
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	1,077	789	789	1,077	0	IL have used £789k to offset against payroll costs. Additional funding of £279k was awarded by Sept P&R and will also be offset against payroll costs.
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	0	9	Balance will be written back as signs no longer required.
Covid Recovery - Allocation to Localities for Recovery Events	Tony McEwan	120	120	119	119	1	Payments to various community groups for events over summer months. Spending complete.
Summer of Fun	Tony McEwan	25	25	25	25	0	Contribution to Pictures in the Park and Cultural Events. Spending complete.
Total		1,360	934	933	1,300	60	