
Report To:	Education & Communities Committee	Date:	7 November 2023
Report By:	Chief Financial Officer and Corporate Director Education, Communities & Organisational Development	Report No:	FIN/68/23/AP/IC
Contact Officer:	Iain Cameron	Contact No:	01475 712832
Subject:	Communities Revenue Budget Report - 2023/24 Projected Outturn at 31 August 2023		

1.0 PURPOSE AND SUMMARY

- 1.1 For Decision For Information/Noting
- 1.2 To advise Committee of the 2023/24 Revenue Budget position, at 31 August 2023.
- 1.3 The total Communities Revenue Budget for 2023/24, excluding Earmarked Reserves, is currently £5.876m. The latest projection is an underspend of £218,000, an increase in expenditure of £173,00 since last Committee largely due to a projected reduction in utility cost savings with IL properties. More details are provided in section 3.3 of the report and the appendices.

2.0 RECOMMENDATIONS

- 2.1 It is recommended that the Committee note the current projected underspend for 2023/24 of £218,000, as at 31 August 2023.
- 2.2 It is recommended that the Committee notes that £155,000 of the projected underspend relates to Inverclyde Leisure utility costs due to reduced unit rates and as such the underlying Committee position is a projected underspend of £68,000.

Alan Puckrin
Chief Financial Officer

Ruth Binks
Corporate Director
Education, Communities & ODHR

3.0 BACKGROUND AND CONTEXT

3.1 The purpose of this report is to advise Committee of the current position of the 2023/24 Revenue Budget and to highlight the main variances contributing to the £218,000 projected underspend as at 31 August 2023.

3.2 The current Communities Revenue Budget for 2023/24 is £5.876m which is an increase of £232,000 from the Approved Budget. Appendix 1 provides more details of the budget movement.

3.3 2023/24 Projected Outturn (£218,000 underspend 3.8%)

The main projected variances contributing to the net underspend are listed below:

- (a) Projected net underspend of £155,000 within Sports & Leisure. This relates to Inverclyde Leisure utility bills which Inverclyde Council became responsible for from 1 April 2023. This was combined with a commensurate reduction in the Inverclyde Leisure Management Fee. Any underspend will be treated as a windfall and the excess budget returned to the non-pay inflation contingency by 31 March 2024.
- (b) Projected underspend of £54,000 for Community Safety Employee Costs due to vacant posts.
- (c) Projected overspend of £50,000 for Community Halls Employee Costs mainly due to overtime being worked by Letting Officers. There is a corresponding over recovery of School Lets income, per (d) below.
- (d) Projected over recovery in Income of £45,000 for School Lets mainly due to Schools 3G pitches lets.

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 zero, which is in line with the anticipated spend at this period.

3.5 Virements

There are no virements requested.

3.6 PROPOSALS

That Committee note the current projected underspend for 2023/24 of £218,000, as at 31 August 2023.

4.0 IMPLICATIONS

4.1 The table below shows whether risks and implications apply if the recommendations are agreed:

SUBJECT	YES	NO
Financial		x
Legal/Risk		x
Human Resources		x
Strategic (Partnership Plan/Council Plan)		x

Equalities, Fairer Scotland Duty & Children/Young People's Rights & Wellbeing		x
Environmental & Sustainability		x
Data Protection		x

4.2 Finance

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					

4.3 Legal/Risk

There are no legal/risk matters to report at this time.

4.4 Human Resources

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

4.5 Strategic

There are no specific strategic implications arising from this report.

5.0 CONSULTATION

5.1 The paper has been jointly prepared by the Chief Financial Officer and the Corporate Director Education, Communities, and Organisational Development.

6.0 BACKGROUND PAPERS

6.1 There are no background papers for this report.

Communities Budget Movement - 2023/24**Period 5 - 1st April 2023 to 31st August 2023**

Service	Approved Budget	Movements			Revised Budget 2023/24 £000
	2023/24 £000	Inflation £000	Virement £000	Supplementary Budgets £000	
Libraries & Museum	1,804	7	105		1,916
Sport & Leisure	2,117				2,117
Community Safety	477				477
Community Halls	877		145		1,022
Community Grants Fund	369		(25)		344
Totals	5,644	7	225	0	5,876

Movement Details**External Resources****Inflation**

NDR

7

7

Virement7 1/2 John Wood Street (from E&R)
School Libraries to Public Libraries120
105

225

Supplementary Budget

0

232

COMMUNITIES**REVENUE BUDGET MONITORING REPORT****CURRENT POSITION****Period 5 - 1st April 2023 to 31st August 2023**

2022/23 Actual £000	Subjective Heading	Approved Budget 2023/24 £000	Revised Budget 2023/24 £000	Projected Out-turn 2023/24 £000	Projected Over/(Under) Spend £000	Percentage Over/(Under)
2,031	Employee Costs	1,853	1,962	1,977	15	0.8%
668	Property Costs	2,245	2,252	2,072	(180)	(8.0%)
1,041	Supplies & Services	712	722	717	(5)	(0.7%)
8	Transport Costs	3	3	4	1	33.3%
68	Administration Costs	75	75	75	0	-
1,183	Other Expenditure	995	1,121	1,117	(4)	(0.4%)
(462)	Income	(239)	(259)	(304)	(45)	17.4%
4,537	TOTAL NET EXPENDITURE	5,644	5,876	5,658	(218)	(3.7%)
0	Earmarked Reserves	0	0	0	0	
4,537	TOTAL NET EXPENDITURE EXCLUDING EARMARKED RESERVES	5,644	5,876	5,658	(218)	(3.7%)

2022/23 Actual £000	Objective Heading	Approved Budget 2023/24 £000	Revised Budget 2023/24 £000	Projected Out-turn 2023/24 £000	Projected Over/(Under) Spend £000	Percentage Over/(Under)
1,835	Libraries & Museum	1,804	1,916	1,905	(11)	(0.6%)
804	Sports & Leisure	2,117	2,117	1,950	(167)	(7.9%)
496	Community Safety	477	477	428	(49)	(10.3%)
1,009	Community Halls	877	1,022	1,031	9	0.9%
393	Community Grants Fund	369	344	344	0	-
4,537	TOTAL COMMUNITIES	5,644	5,876	5,658	(218)	(3.7%)
0	Earmarked Reserves	0	0	0	0	
4,537	TOTAL NET EXPENDITURE EXCLUDING EARMARKED RESERVES	5,644	5,876	5,658	(218)	(3.7%)

COMMUNITIES

REVENUE BUDGET MONITORING REPORT

MATERIAL VARIANCES

Period 5 -1st April 2023 to 31st August 2023

<u>Out Turn</u> <u>2022/23</u> <u>£000</u>	<u>Budget</u> <u>Heading</u>	<u>Budget</u> <u>2023/24</u> <u>£000</u>	<u>Proportion</u> <u>of Budget</u>	<u>Actual to</u> <u>31-Aug-23</u> <u>£000</u>	<u>Projection</u> <u>2023/24</u> <u>£000</u>	<u>(Under)/Over</u> <u>Budget</u> <u>£000</u>	<u>Percentage</u> <u>Over / (Under)</u>
	Sports & Leisure						
0	Inverclyde Leisure Electricity	580	145	107	809	229	39.5%
0	Inverclyde Leisure Gas	982	327	125	598	(384)	(39.1%)
	Community Safety						
458	Employee Costs	440	165	146	390	(50)	(11.4%)
	Community Halls						
278	Employee Costs	237	89	101	291	54	22.8%
(249)	School Lets Income	(204)	(51)	(58)	(249)	(45)	22.1%
Total Material Variances						(196)	

EARMARKED RESERVES POSITION STATEMENT

COMMITTEE: Communities

<u>Project</u>	<u>Lead Officer/ Responsible Manager</u>	<u>c/ff Funding 2022/23</u> £000	<u>New Funding 2023/24</u> £000	<u>Write Back General Reserves</u>	<u>Total Funding 2023/24</u> £000	<u>Phased Budget Period 5 2023/24</u> £000	<u>Actual Period 5 2023/24</u> £000	<u>Projected Spend 2023/24</u> £000	<u>Amount to be Earmarked for 2024/25 & Beyond</u> £000	<u>Lead Officer Update</u>
Community Fund (Participatory Budgets)	Tony McEwan	14			14	0	0	14	0	Will now be used to purchase mobile CCTV unit for Safer Communities per discussions with Community Councils.
COVID 19 - Recovery of Cultural Events	Tony McEwan	8			8	0	0	8	0	Final payment to Robinson Heritage Consulting. Work to be completed by September 2023.
Covid Recovery - Lighting Gourrock Amphitheatre	Tony McEwan	29			29	0	0	29	0	Funding for additional work to be carried out by Roads. Work expected to be completed 2023/24.
IL Smoothing Reserve	Tony McEwan	400			400	0	0	200	200	Contingency of £400k over 3 year period to allow for IL income to recover. Will only be paid out if required. Currently IL anticipating £200k will be required in 2023/24.
Total		451	0	0	451	0	0	251	200	