
Report To:	Education & Communities Committee	Date:	23 January 2024
Report By:	Chief Financial Officer and Corporate Director Education, Communities & Organisational Development	Report No:	FIN/84/23/AP/IC
Contact Officer:	Iain Cameron	Contact No:	01475 712832
Subject:	Communities Revenue Budget Report - 2023/24 Projected Outturn at 31 October 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 October 2023.
- 1.3 The total Communities Revenue Budget for 2023/24, excluding Earmarked Reserves, is currently £5.892m. The latest projection is an underspend of £210,000, an increase in expenditure of £8,000 since last Committee. The projected underspend includes £157,000 for Inverclyde Leisure utilities and is due to the predicted utility costs at the time that budget was finalised. The over provision of budget will be returned to the non-pay inflation contingency from 2024/25.

2.0 RECOMMENDATIONS

- 2.1 It is recommended that the Committee note the current projected underspend for 2023/24 of £210,000 as at 31 October 2023.
- 2.2 It is recommended that the Committee notes that £157,000 of the projected underspend relates to Inverclyde Leisure utility costs. This budget over provision will be returned to the non-pay inflation contingency from 2024/25, in line with the treatment of windfall savings.
- 2.3 It is recommended that the Committee approves virement outlined in Section 3.5 and Appendix 5.

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 £210,000 projected underspend as at 31 October 2023.

3.2 The current Communities Revenue Budget for 2023/24 is £5.892m which is an increase of £248,000 from the Approved Budget. Appendix 1 provides more details of the budget movement.

3.3 2023/24 Projected Outturn (£210,000 underspend 3.6%)

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

- (a) Projected underspend of £50,000 for Community Safety Employee Costs due to vacant posts.
- (b) A projected overspend of £50,000 for Community Halls Employee Costs was reported to the last Committee. Following approval of the virement requested in paragraph 3.5 and Appendix 5, the latest projection is an overspend of £7,000.
- (c) A projected over recovery in Income of £45,000 for School Lets was reported to the last Committee. Following approval of the virement requested in paragraph 3.5 and Appendix 5, the latest projection is an over recovery of £14,000.
- (d) Projected underspend on utilities for Inverclyde Leisure properties of £157,000. The excess budget will be adjusted from 2024/25 onwards.

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. It should be noted that £400,000 was approved for write back to General reserves by the Policy & Resources Committee on 21 November 2023.

3.5 Virements

Committee are asked to approve the virement of £31,000 from School Lets Income to Letting Officers Employee Costs budget as per Appendix 5. The additional income received for lets is being used to fund additional overtime required to support the lets.

3.6 PROPOSALS

That Committee note the current projected underspend for 2023/24 of £210,000 as at 31 October 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

The financial implications arising from the report relate to the virement outlined in Paragraph 3.5 and Appendix 5.

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

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.

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 7 - 1st April 2023 to 31st October 2023**

Service	Approved Budget	Movements			Revised Budget 2023/24 £000
	2023/24 £000	Inflation £000	Virement £000	Supplementary Budgets £000	
Libraries & Museum	1,804	8	120		1,932
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	8	240	0	5,892

Movement Details

£000

External Resources**Inflation**

NDR

8

8

Virement7 1/2 John Wood Street (from E&R)
School Libraries to Public Libraries120
120

240

Supplementary Budget

0

248

COMMUNITIES**REVENUE BUDGET MONITORING REPORT****CURRENT POSITION****Period 7 - 1st April 2023 to 31st October 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	2,010	1,978	(32)	(1.6%)
668	Property Costs	2,245	2,257	2,096	(161)	(7.1%)
1,041	Supplies & Services	712	729	724	(5)	(0.7%)
8	Transport Costs	3	3	5	2	66.7%
68	Administration Costs	75	75	75	0	-
1,183	Other Expenditure	995	1,108	1,108	0	-
(462)	Income	(239)	(290)	(304)	(14)	4.8%
4,537	TOTAL NET EXPENDITURE	5,644	5,892	5,682	(210)	(3.6%)
0	Earmarked Reserves	0	0	0	0	
4,537	TOTAL NET EXPENDITURE EXCLUDING EARMARKED RESERVES	5,644	5,892	5,682	(210)	(3.6%)

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	1,932	1,943	11	0.6%
804	Sports & Leisure	2,117	2,117	1,953	(164)	(7.7%)
496	Community Safety	477	477	427	(50)	(10.5%)
1,009	Community Halls	877	1,022	1,015	(7)	(0.7%)
393	Community Grants Fund	369	344	344	0	-
4,537	TOTAL COMMUNITIES	5,644	5,892	5,682	(210)	(3.6%)
0	Earmarked Reserves	0	0	0	0	
4,537	TOTAL NET EXPENDITURE EXCLUDING EARMARKED RESERVES	5,644	5,892	5,682	(210)	(3.6%)

COMMUNITIES

REVENUE BUDGET MONITORING REPORT

MATERIAL VARIANCES

Period 7 -1st April 2023 to 31st October 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-Oct-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	Gas	982	327	165	598	(384)	(39.1%)
0	Electricity	580	242	327	807	227	39.1%
	Community Safety						
458	Employee Costs	440	165	146	390	(50)	(11.4%)
Total Material Variances						(207)	

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 7 2023/24</u> £000	<u>Actual Period 7 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 was expected to be completed by Sept 2023, now delayed until Dec 2023.
Covid Recovery - Lighting Gourcock Amphitheatre	Tony McEwan	29			29	0	0	19	10	Funding for additional work to be carried out by Roads. Work expected to be completed 2023/24 for £19k leaving £10k to be written back to General Reserves
IL Smoothing Reserve	Tony McEwan	400			400	0	0	0	400	No longer required - £400k written back to General Reserves, approved by P&R Committee November 2023.
Total		451	0	0	451	0	0	41	410	

COMMUNITIES COMMITTEE

VIREMENT REQUESTS

Budget Heading		Increase Budget £	(Decrease) Budget £
Community Halls Employee Costs School Lets Income	1	31,000	(31,000)
		31,000	(31,000)

Note

1 - Virement of £31,000 between School Lets Income and Employee Costs - additional O/T being required to support additional lets.