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<b>Report To:</b>	<b>Policy &amp; Resources Committee</b>	<b>Date:</b>	<b>4 June 2024</b>
<b>Report By:</b>	<b>Chief Financial Officer and Corporate Director Education, Communities &amp; Organisational Development and Chief Executive</b>	<b>Report No:</b>	<b>FIN/25/24/AP/AB</b>
<b>Contact Officer:</b>	<b>Angela Edmiston</b>	<b>Contact No:</b>	<b>01475 712143</b>
<b>Subject:</b>	<b>2023/24 Policy &amp; Resources Committee and General Fund Revenue Budget Update</b>		

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## **1.0 PURPOSE AND SUMMARY**

- 1.1  For Decision  For Information/Noting
- 1.2 The purpose of this report is to advise the Committee of the 2023/24 Policy & Resources Committee Revenue Budget projected position and also note the overall General Fund Revenue Budget projection and the position of the General Fund Reserves.
- 1.3 The revised 2023/24 Revenue Budget for the Policy and Resources Committee is £16,124,000, which excludes Earmarked Reserves. The latest projection is an underspend of £570,000 (3.5%), a decrease in costs of £28,000 since last Committee. This is mainly due a further underspend within the Non Pay Inflation Contingency. More details are provided in section 3.3 and the appendices.
- 1.4 The latest projection for the General Fund Budget is an overspend of £601,000. This is an increase in expenditure of £723,000 since the last report to Committee. The main reason for the movement is an adverse movement within the Education and Communities Committee of £736,000. Minimal movement has occurred across the Policy and Resources Committee and Environment and Regeneration Committee. This overspend includes a £250,000 one off cost to the Council for the 2023/24 Pay Award, which is due to be reimbursed by the Scottish Government in 2024/25. Based on these figures the Council's unallocated Reserves are currently projected to be £0.364 million more than the minimum recommended level of £4.0million by 31 March 2024.

## **2.0 RECOMMENDATIONS**

It is recommended that the Committee:

- 2.1 Note the current projected Committee underspend for 2023/24 of £570,000.
- 2.2 Note the projected overspend of £601,000 for the General Fund and the projected reserve balance of reserves of £4.364million.
- 2.3 Note the projected 2023/24 surplus of £17,110 for the Common Good Budget set out in Appendix 5.
- 2.4 Note the 2024/25 Workstream Savings achieved to date and that progress will be reported each Committee cycle.
- 2.5 Note that the 2023/24 outturn will be reported to Committee after the summer recess

**Alan Puckrin**  
**Chief Financial Officer**

### 3.0 BACKGROUND AND CONTEXT

- 3.1 The revised 2023/24 Revenue Budget for the Policy & Resources Committee is £16,124,000 excluding Earmarked Reserves. This is a decrease of £7,700,000 from the approved budget largely due to allocations from the pay and non-pay inflation contingency and additional 2023/24 pay award funding from the Scottish Government. Appendix 1 gives more details of this budget movement.
- 3.2 Expenditure to date and projections are based on figures available at the date of submission of this report. It should however be noted that the 2023/24 accounts closedown is ongoing and final accruals and adjustments are not necessarily included, although where known they are reflected in the projection. The final outturn will be reported to this Committee in August after the summer recess and may differ from the current projection.
- 3.3 The main variances contributing to the net underspend of £570,000 are as follows -
- (a) £23,000 one-off underspend projected for Legal Expenses, no change since last Committee.
  - (b) £60,000 underspend projected for bad debt provision reduction within Housing Benefits, no movement since last reported to Committee.
  - (c) Statutory Additions £54,000 under-recovery, £14,000 movement since P10.
  - (d) Housing Benefit Recoveries budget is reporting £40,000 under recovery within income, no change since last Committee.
  - (e) One-off £20,000 overspend for unfunded Housing Benefit costs. This has been addressed as a 2024/25 Budget pressure.
  - (f) Combined Events overspend of £23,000, mainly due to increased costs for Highland Games.
  - (g) £27,000 combined underspend within HR Corporate Training Courses and Workforce Development budgets due to a one-off reduced need in 2023/24. Not reported to previous Committees.
  - (h) £79,000 combined one-off underspend within ICT computer hardware and software budgets due to the timing of new corporate contracts.
  - (i) Projected over-recovery of £34,000 within Income for the ICT service for internal maintenance recharges for computer equipment purchased outside of the refresh programme.
  - (j) External Licences fee income is currently projecting; £30,000 over-recovery on the 2023/24 introduction of fees on short term lets and £30,000 under recovery for liquor income.
  - (k) £500,000 underspend within the non-pay inflation contingency budget due to a projected reduced call on this budget, £50,000 further underspend since last Committee.
  - (l) £23,000 over-recovery within Legal Fees External Income, not reported at last Committee.

### 3.4 Earmarked Reserves

Appendix 4 gives an update on the operational Earmarked Reserves, i.e. excluding strategic funding models. Spend to date on these operational Earmarked Reserves is £4,232,000 (72.34%

of projected spend). Appendix 7 gives the overall earmarked reserve position which shows 4.13% spend ahead of the phased budget.

### 3.5 General Fund Budget & Reserves Position

Appendix 6 shows that to date the General Fund is projecting a £601,000 overspend (excluding Social Work) which represents 0.25% of the net Revenue Budget. Policy & Resources Committee are projecting £570,000 underspend which is offset by £169,000 overspend within Environment & Regeneration and an overspend within Education & Communities of £746,000.

3.6 An allowance of £250,000 for the one off cost of the 2023/24 Pay Award has been included with the Scottish Government having included a one off reimbursement within the 2024/25 Grant settlement.

3.7 Appendix 8 shows the latest position in respect of the General Fund Reserves and shows that the projected balance at 31 March, 2024 is £4.364 million which is £0.364 million more than the minimum recommended balance of £4 million. The General Fund Reserve position includes additions to the Reserve beyond 2023/24 that were agreed as part of the 2023/24 Budget approved by the Council on March 2023 and the final audited accounts position. In addition, the figures reflects decisions taken as part of the 2024/26 Budget on 29 February 2024.

### 3.8 Common Good Fund

The Common Good Fund is projecting a surplus fund balance of £17,110 as shown in Appendix 5 and which results in projected surplus fund balance of £140,678 at 31 March 2024.

#### Workstream Savings

3.9

As part of the 2024/26 Budget process, the Council approved workstream savings of £2.880 million over the 2 year budget. The Corporate Management Team increased the target by a further £0.055 million resulting in a final workstream target of £2.935 million, of which £1.320 million is due to be achieved in 2024/25. Whilst the workstream savings are outwith the 2023/24 Revenue Budget, Officers believe it is prudent to update Committee on the 2024/25 saving delivery progress.

It can be seen from appendix 9, £1.206 million has been achieved against a target of £1.32 million for 2024/25. The workstream appendix will be incorporated into each Revenue Monitoring report going forward and will include a lead officer update.

## 4.0 PROPOSALS

4.1 The increase in overspend within the Education and Communities was reported to the 21 May Committee with a commitment for an update to be presented to the Committee after the summer recess.

## 5.0 IMPLICATIONS

5.1 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
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## 5.2 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					

## 5.3 Legal/Risk

There are no legal implications arising from this report.

## 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 Consultation with relevant officers has taken place.

## 7.0 BACKGROUND PAPERS

7.1 There are no background papers for this report.

**Policy & Resources Budget Movement - 2023/24**

Service	Approved Budget		Movements			Revised Budget
	2023/24 £000	Inflation £000	Virement £000	Supplementary Budgets £000	Transferred to EMR £000	2023/24 £000
Finance	5,630	225	(15)			5,840
Legal, Democratic Digital & Customer Services	5,389	261	50			5,700
Organisational Development, Policy & Communications	2,219	164	(5)			2,378
Chief Exec	377	22	(28)			371
Miscellaneous	9,514	(13,050)	30	5,454	(113)	1,835
<b>Totals</b>	<b>23,129</b>	<b>(12,378)</b>	<b>32</b>	<b>5,454</b>	<b>(113)</b>	<b>16,124</b>

**Supplementary Budget Detail**

	£000
<u>Inflation</u>	
Revenue & Benefits - various non pay inflationary uplifts	9
ICT - Inflationary Uplift 23/24	8
HR - Occupational Health contract increase	33
Legal Services Pay Award 23/24	253
Chief Executive Services Pay Award 23/24	22
Finance Services Pay Award 23/24	201
ODHR Pay Award 2023/24	131
Miscellaneous - Pay Inflation Adjustments	(10,929)
Miscellaneous - Various Non Pay Inflation Adjustments	(2,121)
R&B- Discretionary Relief 23/24	15
	<u>(12,378)</u>
<u>Virements</u>	
Legal - Budget transfer to Property Services for Energy Team	(50)
ICT - Budget Transfer from Physical Assets for New Ways of Working Project	40
Legal - Management Allocation	53
Registrars - Budget Transfer from Revenue & Benefits	7
Revenue & Benefits - Budget Transfer to Registrars	(7)
Revenue & Benefits - Budget transfer to Property Services for Energy Team	(8)
Chief Executive - Management restructure within E&R Directorate	(28)
ODHR - Events reduction in Events Management to Common Good	(5)
Miscellaneous	30
	<u>32</u>
<u>Supplementary Budgets</u>	
SNCT 2023/24 Pay Award	4,646
LG 2023/24 Pay Award	808
	<u>4,646</u>
<b>Total Inflation &amp; Virements</b>	<b><u>(7,700)</u></b>

**POLICY & RESOURCES COMMITTEE**

Appendix 2

**REVENUE BUDGET MONITORING REPORT**

2022/23 Actual £000	SUBJECTIVE ANALYSIS	Approved Budget 2023/24 £000	Revised Budget 2023/24 £000	Projected Out-turn 2023/24 £000	Projected Over/(Under) Spend £000	Percentage Over/(Under)
9,459	Employee Costs	8,864	9,495	9,500	5	0.1%
623	Property Costs	734	734	734	0	-
892	Supplies & Services	900	918	870	(48)	(5.2%)
2	Transport & Plant	5	5	5	0	-
1,248	Administration Costs	1,306	1,315	1,206	(109)	(8.3%)
37,596	Payments to Other Bodies	41,530	34,048	33,515	(533)	(1.6%)
(27,182)	Income	(30,210)	(30,278)	(30,163)	115	(0.4%)
<b>22,638</b>	<b>TOTAL NET EXPENDITURE</b>	<b>23,129</b>	<b>16,237</b>	<b>15,667</b>	<b>(570)</b>	<b>(3.5%)</b>
	Earmarked reserves		(113)	(113)	0	
<b>22,638</b>	<b>Total Net Expenditure excluding Earmarked Reserves</b>	<b>23,129</b>	<b>16,124</b>	<b>15,554</b>	<b>(570)</b>	

2022/23 Actual £000	OBJECTIVE ANALYSIS	Approved Budget 2023/24 £000	Revised Budget 2023/24 £000	Projected Out-turn 2023/24 £000	Projected Over/(Under) Spend £000	Percentage Over/(Under)
12,531	Finance	5,630	5,840	5,843	3	0.1%
5,234	Legal, Democratic Digital & Customer Services	5,389	5,700	5,581	(119)	(2.1%)
2,279	Organisational Development, Policy & Communications	2,219	2,378	2,412	34	1.4%
<b>2,279</b>	<b>Total Net Expenditure Education, Communities &amp; Organisational Development</b>	<b>13,238</b>	<b>13,918</b>	<b>13,836</b>	<b>(82)</b>	<b>(0.6%)</b>
360	Chief Executive	377	371	383	12	3.2%
2,234	Miscellaneous	9,514	1,948	1,448	(500)	(25.7%)
<b>4,873</b>	<b>TOTAL NET EXPENDITURE</b>	<b>23,129</b>	<b>16,237</b>	<b>15,667</b>	<b>(570)</b>	<b>0</b>
	Earmarked reserves		(113)	(113)		
<b>4,873</b>	<b>Total Net Expenditure excluding Earmarked Reserves</b>	<b>23,129</b>	<b>16,124</b>	<b>15,554</b>	<b>(570)</b>	

**POLICY RESOURCES**

**REVENUE BUDGET MONITORING REPORT**

**MATERIAL VARIANCES (EXCLUDING EARMARKED RESERVES)**

Appendix 3

**POLICY & RESOURCES COMMITTEE**

**REVENUE BUDGET MONITORING REPORT**

**MATERIAL VARIANCES**

Outturn 2022/23 £000	Budget Heading	Budget 2023/24 £000	Proportion of Budget £000	Actual to 2023/24 £000	Projection 2023/24 £000	Over/(Under) Budget £000	Percentage Variance %
	<b><u>Finance Services</u></b>						
38	R&B Legal Expenses	29	29	4	6	(23)	(79.3%)
26	R&B Bad Debt Provison	0	0	(11)	(60)	(60)	(100%)
(270)	R&B Stat Adds	(294)	(294)	(250)	(240)	54	(18.4%)
(124)	R&B HB Recoveries	(110)	(110)	(33)	(70)	40	(36.4%)
23,709	R&B Benefits & Allowances	27,768	27,768	27,788	27,788	20	0.1%
	<b><u>Organisational Development, Policy &amp; Communications</u></b>						
68,943	Events	12	12	45	35	23	191.7%
61,138	Training Courses/Workforce Development Fund	66	66	46	39	(27)	(40.9%)
	<b><u>Legal, Democratic Digital &amp; Customer Services</u></b>						
38	ICT - Computer Hardware - Capita	50	50	22	24	(26)	(52.0%)
556	ICT - Computer Software - Capita & Freshdesk	642	642	587	589	(53)	(8.3%)
(55)	ICT Income Recharges (5 Year Computer Refresh)	(25)	(25)	(60)	(57)	(32)	128.0%
(14)	Legal - Income Licences - Other - Short Term Lets	(16)	(16)	(48)	(46)	(30)	187.5%
(106)	Legal -Income Licenses - Stat Charges - Liquor	(122)	(122)	(96)	(92)	30	(24.6%)
(25)	Legal - Legal Fees External	(19)	(19)	(45)	(42)	(23)	121.1%
	<b><u>Miscellaneous Services</u></b>						
1,750	Non Pay Inflation Contingency	3,562	2,253	3,062	3,062	(500)	(14.0%)
<b>155,604</b>	<b>TOTAL MATERIAL VARIANCES</b>	<b>31,543</b>	<b>30,234</b>	<b>31,011</b>	<b>30,936</b>	<b>(607)</b>	

EARMARKED RESERVES POSITION STATEMENT

COMMITTEE: Policy & Resources

C a t e g o r y	Project	Lead Officer/ Responsible Manager	Total Funding	Phased Budget 31/03/2024	Actual Spend 31/03/2024	Projected Spend 31/03/2024	Amount to be Earmarked for 2024/25 & Beyond	Lead Officer Update
			2023/24	2023/24	2023/24	2023/24		
			£000	£000	£000	£000	£000	
B	Early Retiral/Voluntary Severance Reserve	Alan Puckrin	1,995	0	53	53	1,942	Actual spend of £53k within 2023/24.
C	Equal Pay	Morna Rae	100	0	0	0	100	Balance for equal pay which is under review on an annual basis.
C	Digital Modernisation	Lynsey Brown	1,268	182	117	117	1,151	23/24 has saw the purchases of Schools Cashless Catering System replacement 15K and CRM Replacement systems indicative timeline 85K. 5k costs relating to FreshDesk implementation. 12k costs for WorkPro Licenses.
C	Welfare Reform - Operational	Alan Puckrin	52	0	0	0	52	No spend in 2023/24 however expected to be required in future years due to on going employee savings in 2024/25
C	Anti-Poverty Fund	Ruth Binks	2,115	295	350	408	1,707	Decisions taken as part of the 24/26 Budget will use £658k of the balance. Reported elsewhere on the agenda.
B	Loan Charge Funding Model	Alan Puckrin	1,645	0	0	1,048	597	December Finance Strategy allocated a further £3.0million over 2023/27 to the EMR to deliver a recurring saving from 2025/26.
C	GDPR	Lynsey Brown	19	19	12	12	7	Information governance system contract (Workpro) awarded (2yr+1yr+1yr). Spend committed -now £12k per year. Continued corporate training programme being organised. C/fw for Training Commitments
B	2023/26 Budget Funding Reserve	Alan Puckrin	6,000	3,000	3000	3,000	3,000	Projection per March 2023 Budget decision. £2million in 24/25 and £1 million 25/26. Further £6.0m agreed in principle 1/2/24.
C	ICT Technicians To Support Digital School Inclusion/Covid Recovery	Lynsey Brown	70	50	56	56	14	Ongoing Monthly Employee Costs. 1 x Service Desk Operator (until 01/09/24) and 1 x Technical Project Officer (until 01/10/23).
C	Extension of Corporate Policy Post	Morna Rae	35	40	35	35	0	To fund Grade 6 Corp Policy Post until 31st March 2024, £9k agreed write back at February Policy & Resoureces Committee.
C	New Ways of Working	Stuart Jamieson	267	15	9	267	0	Project moving to asset based phase and use of EMR being reviewed.
C	HR Resources	Morna Rae	68	84	68	68	0	This is Monies to fund two HR employees for 2023/24 Grade 5 & Grade 7/8. Grade 7/8 employee no longer in EMR post from 18th September, remainder £24k to be written back.



EARMARKED RESERVES POSITION STATEMENT

COMMITTEE: Policy & Resources

C a t e g o r y	Project	Lead Officer/ Responsible Manager	Total	Phased Budget	Actual Spend	Projected	Amount to be	Lead Officer Update
			Funding	31/03/2024	31/03/2024	Spend	Earmarked for	
			2023/24	2023/24	2023/24	2023/24	2024/25 & Beyond	
			£000	£000	£000	£000	£000	
C	Project Resource	Louise Long	135	0	46	46	89	Projects approved to date. HR review (£25k), Co-operative Councils membership, Task Force support and Solace support for difficulty to fill senior Regen posts.
C	Covid Recovery - Marketing Post & Support for Discover Inverclyde	Morna Rae	67	67	23	23	44	£27k funding for marketing post/discover inverclyde, £19k in 23/24, £8k to be carried forward to 24/25 to cover prints early April. For £40k Historic Links to Slavery Funding - £4k spend in 23/24, £36k to be carried forward to 24/25.
C	Scottish Welfare Fund	Alan Puckrin	77	77	77	77	0	All spent in 23/24. Any underspend in 2023/24 will be added to this reserve at 31.3.24
C	Discretionary Housing Payments - Scottish Govt Grant	Alan Puckrin	28	28	28	28	0	Fully Spent in 23/24
C	Smoothing Reserve (Service Concession)	Alan Puckrin	602	0	0	254	348	Sum to smooth difference between approved £1.65m saving and actual saving per the funding model over 2023/28.
B	Budget Delivery Reserve	Alan Puckrin	3,000	0	338	338	2,662	Allowance to address inflation volatility and other Budget delivery pressures over the 2024/26 period. Bulk required in 2024/25
C	Student Training Fees	Morna Rae	100	0	20	20	80	Payment of training fees to aid staff recruitment and retention. Services have confirmed cost for courses overall as £34k, with spend in 23/24 £20k, £14k in future years. Actual spend to date split £18k HR and £1k Finance £1k Building Standards. The remainder £66k is to be carried forward, which will go back out to services again to apply in 24/25.
<b>Total Category B</b>			<b>12,640</b>	<b>3,000</b>	<b>3,391</b>	<b>4,439</b>	<b>8,201</b>	
<b>Total Category C to E</b>			<b>5,003</b>	<b>857</b>	<b>841</b>	<b>1,411</b>	<b>3,592</b>	

**COMMON GOOD FUND****REVENUE BUDGET MONITORING REPORT 2023/24**

	Final Outturn 2022/23	Approved Budget 2023/24	Budget to Date 2023/24	Actual to Date 2023/24	Projected Outturn 2023/24
	£	£	£	£	£
<b><u>PROPERTY COSTS</u></b>	<b>42,400</b>	<b>56,700</b>	<b>50,600</b>	<b>35,800</b>	<b>58,670</b>
Repairs & Maintenance	17,200	11,000	10,100	4,360	11,000
Rates <b>1</b>	21,160	21,200	21,200	23,170	23,170
Property Insurance	4,040	3,500	0	0	3,500
Property Costs	0	21,000	19,300	8,270	21,000
<b><u>ADMINISTRATION COSTS</u></b>	<b>7,930</b>	<b>7,700</b>	<b>1,400</b>	<b>0</b>	<b>7,700</b>
Sundries	1,730	1,500	1,400	0	1,500
Commercial Rent Management Recharge	2,200	2,200	0	0	2,200
Recharge for Accountancy	4,000	4,000	0	0	4,000
<b><u>OTHER EXPENDITURE</u></b>	<b>59,300</b>	<b>109,500</b>	<b>109,200</b>	<b>102,670</b>	<b>109,500</b>
Christmas Lights Switch On	10,500	10,500	10,500	10,500	10,500
Christmas Decorations	0	44,000	44,000	38,880	44,000
Gourock Highland Games	29,400	29,400	29,400	29,400	29,400
Armistice Service	8,850	8,300	8,300	6,590	8,300
Comet Festival	13,300	13,300	13,300	13,300	13,300
Events	0	4,000	3,700	4,000	4,000
Bad Debt Provision	(2,750)	0	0	0	0
<b><u>INCOME</u></b>	<b>(127,520)</b>	<b>(177,900)</b>	<b>(162,600)</b>	<b>(186,760)</b>	<b>(192,980)</b>
Property Rental	(159,000)	(228,200)	(209,200)	(209,200)	(228,200)
Void Rents <b>2</b>	34,980	50,800	46,600	22,440	38,720
Internal Resources Interest	(3,500)	(500)	0	0	(3,500)
<b><u>NET ANNUAL EXPENDITURE</u></b>	<b>(17,890)</b>	<b>(4,000)</b>	<b>(1,400)</b>	<b>(48,290)</b>	<b>(17,110)</b>
<b><u>EARMARKED FUNDS</u></b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>TOTAL NET EXPENDITURE</u></b>	<b>(17,890)</b>	<b>(4,000)</b>	<b>(1,400)</b>	<b>(48,290)</b>	<b>(17,110)</b>

Fund Balance as at 31st March 2023 **123,568**

Projected Fund Balance as at 31st March 2024

**140,678****Notes:****1 Rates (Empty Properties)**

Rates are currently being paid on empty properties, projection reflects current Rates levels however all historic Rates costs are being examined to ensure all appropriate empty property relief has been obtained. Any subsequent credit will be included in future reports.

**2 Current Empty Properties are:**

	<u>Vacant since:</u>
12 Bay St	April 2015, currently being marketed
6 John Wood Street	January 2019, currently being marketed
10 John Wood Street	August 2018
16 John Wood Street	November 2023
17 John Wood Street	June 2023

## Policy &amp; Resources Committee

## Revenue Budget Monitoring Report

Committee	Approved Budget 2023/2024	Revised Budget 2023/2024	Projected Out-turn 2023/2024	Projected Over/(Under) Spend	Percentage Variance
	£,000's	£,000's	£,000's	£,000's	
Policy & Resources	23,129	16,124	15,554	(570)	(3.54%)
Environment & Regeneration	22,505	24,153	24,322	169	0.70%
Education & Communities	100,759	111,088	111,834	746	0.67%
Social Work & Social Care	68,156	70,042	70,752	710	1.01%
2023/24 Pay Award Impact (Note 1)	0	0	250	250	
<b>Committee Sub-Total</b>	<b>214,549</b>	<b>221,407</b>	<b>222,712</b>	<b>1,305</b>	<b>0.59%</b>
Loan Charges	16,902	16,902	16,902	0	0.00%
Saving Approved yet to be Allocated (Note 2)	(100)	(100)	(100)	0	0.00%
Additional Turnover Savings unallocated (Note 3)	0	(133)	(133)	0	0.00%
Service Concession Flexibility	(1,650)	(1,650)	(1,650)	0	0.00%
Transfer to Earmarked Reserves	0	563	563	0	0.00%
<b>Total Expenditure</b>	<b>229,701</b>	<b>236,989</b>	<b>238,294</b>	<b>1,305</b>	<b>0.55%</b>
<b>Financed By:</b>					
General Revenue Grant/Non Domestic Rates	(190,719)	(196,007)	(196,001)	6	(0.00%)
General Revenue Grant - Teachers Hold Back (Note 4)	(655)	(655)	(655)	0	0.00%
Contribution from General Reserves (Note 5)	(3,000)	(5,000)	(5,000)	0	100.00%
Council Tax	(35,327)	(35,327)	(35,327)	0	0.00%
Integration Joint Board - Contribution from Reserves	0	0	(710)	(710)	100.00%
<b>Net Expenditure</b>	<b>0</b>	<b>0</b>	<b>601</b>	<b>601</b>	

**Note 1 - Impact of 2023/24 Pay Award, funded in 2025/26**

**Note 2 - Approved savings yet to be allocated**

**Note 3 - Additional Turnover Savings unallocated**

**Note 4 - General Revenue Grant - Teachers Hold Back funding to be received**

**Note 5 - General Revenue Grant - £2m funded from Capital Grant**

**Earmarked Reserves**

DMR	300
FSM Holiday Payments	50
Anti-Poverty	113
Turnover Savings	100
<b>Contribution to General Earmarked Reserves</b>	<b>563</b>

**Redeterminations**

Probationer Teachers	(859) ECOD
Teachers Pay Award 2023/24	(2,238) Misc
LG Pay Deal temp reallocation	(466) Misc
LG Pay Deal temp reallocation	(342) Misc
LG Pay Award 2023/24	(2,408) Misc
Psychologist Probationer	(15) ECOD
Employability Funding	(195) ERR
Ukraine Funding	(453) HSCP
C&F Fostering/Kinship	(237) HSCP
Self Direct Support	(5) HSCP
Summer of Fun	(58) ECOD
Training	(12) ECOD
Transfer to Capital	2,000
	<b>(5,288)</b>

**Earmarked Reserves Position Statement**

Appendix 7

**Summary**

<u>Committee</u>	<u>Total Funding 2023/24</u>	<u>Phased Budget to 31/03/24</u>	<u>Actual Spend 31/03/24</u>	<u>Variance Actual to Phased Budget</u>	<u>Projected Spend 2023/24</u>	<u>Earmarked 2024/25 &amp; Beyond</u>
	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>
Education & Communities	1,118	572	641	69	805	313
Social Work & Social Care	6,764	2,338	736	(1,602)	999	5,765
Regeneration & Environment	9,373	817	2,288	1,471	3,909	5,464
Policy & Resources	17,643	3,857	4,232	375	5,850	11,793
	34,898	7,584	7,897	313	11,563	23,335

<u>2023/24 %age Spend Against Projected</u>	<u>2023/24 %age Over/(Under) Spend Against Phased Budget</u>
79.63%	12.06%
73.67%	(68.52%)
58.53%	180.05%
72.34%	9.72%
68.30%	4.13%

**Actual Spend v Phased Budget Ahead of Phasing = £313k 4.13%**

**Last Update (26/03/24) Ahead Phasing = £105k**

**Movement in slippage v Phasing £208k**

Appendix 8

**GENERAL FUND RESERVE POSITION**  
**Position as at 31/03/24**

	<u>£000</u>	<u>£000</u>
Usable Balance 31/3/23 - Post Audit of Accounts		7700
<u>Available Funding:</u>		
Service Concession	14,748	
IRI 2023/26	3,500	
Use of Earmarked Reserve 2022/23	452	
Actuarial Pension Review	9000	
Additional IRI 2023/27	3500	
Loans Charges Review	3750	
Reduced use of reserves 2024/26	<u>384</u>	
		35334
Projected Surplus/(Deficit) 2023/24	<u>(601)</u>	
		(601)
<u>Use of Balances Approved March 2023:</u>		
Support to 2023/26 Budgets	(4,000)	
Net Zero Action Plan	(3,300)	
Anti Poverty Initiatives	(800)	
Employability Smoothing Reserve	(400)	
Digital Modernisation	(1,000)	
Inflation Smoothing Reserve	(3,000)	
2023/26 Capital Programme Funding	(4,000)	
Clune Park Regeneration	(500)	
Voluntary Severance Reserve	<u>(1,700)</u>	
		(18700)
<u>Use of Balances Approved February 2024:</u>		
Additional IRI to Loans Charges	(3000)	
Increased support to the Revenue Budget	(6000)	
Increased support to the 2024/28 Capital Programme	(4400)	
Allocation to VER Reserve for future releases	(1200)	
Allocation for elections 2024/27	(300)	
Allocation towards Historic Child Abuse settlements	(500)	
Allocation to sinking fund related for Asset Review	(3750)	
Anti-Poverty defer saving to 2028/29	(500)	
Employability defer saving 28/29	(300)	
Community Grants	<u>(75)</u>	
		(20025)
<u>Write Backs</u>		
IL Smoothing Reserve - P&R November 2023		400
2024/26 Budget Update Write Backs - P&R February 2024:		
1140 Hours		63
Gourock Ampitheatre		10
Covid Recovery Grants		150
OD & HR Temp Employees		33
Projected Reserve Balance		<u><u>4364</u></u>

**Minimum Reserve required is £4 million**

Policy & Resources Committee

Workstreams Saving Monitoring at 26 April 2024

Saving Title	CMT Lead Officer	Chief Officer Update	Approved Saving	Achieved to Date	Projected Saving	Over achievement/ (Shortfall)
			2024/25 £000's	2024/25 £000's	2024/25 £000's	2024/25 £000's
Income Generation <b>Original Target £700k</b>	A Puckrin	5% increases in fees/charges for both 2024/25 and 2025/26 agreed as part of the 2024/26 Budget. Balance anticipated to come from Inchgreen JV no later than 2025/26	250	245	245	(5)
Procurement <b>Original target £600k, now £805k Note 3</b>	S Jamieson	£671k achieved in 2024/25 from the new Residual Waste contract with £80k achieved from the new SWAN contract. This has been phased 50% 24/25 and 50% 25/26 and requires £350k investment from the Budget Delivery emr. CMT have increased the target by £55k in order to help increase capacity within the Procurement Team.	710	711	711	1
Energy <b>Original Target £500k , now £850k</b>	A Puckrin	£800k reduction in gas/electricity budgets over 2023/26 approved as part of the 2024/26 Budgets. The 2025/26 position will continue to be monitored given the global issues that could impact.A £50k reduction in fuel costs was applied from 2024/25 based on 2023/24 out-turn.	250	250	250	0
Asset Management <b>Original Target £400k</b>	S Jamieson	Initial saving will arise from the demolition of Hector McNeil House as part of the Levelling Up Fund project later in 2024. Officers developing a process for the consideration by members of other proposals.	50	0	50	0
Management Restructure Ph3 <b>Original Target £200k</b>	L Long	Development of proposals to commence early autumn.	0	0	0	0
Digital & Customer Services <b>Original Target £100k</b>	L Long	A number of projects delivering service improvements progressing but no recurring savings identified to-date. Updated via regular reports to Policy & Resources Committee	20	0	20	0
Community Learning & Development- Delivering Differently Review <b>Original Target £180k</b>	R Binks	Working Group set up now CLD inspection is concluded. Report due late 2024.	40	0	40	0
Over achievement Contingecy <b>Currently £300k</b>	A Puckrin	This reflects the fact that targets exceed the overall allowance in the 2024/26 Budget. Any use of this will need approval by the Policy & Resources Committee.	0	0	0	0
<b>Totals</b>			<b>1,320</b>	<b>1,206</b>	<b>1,316</b>	<b>(4)</b>

Approved Saving	Achieved to Date	Projected Saving	Total Projected Saving	Over achievement/ (Shortfall)	Est FTE Impact
2025/26 £000's	2025/26 £000's	2025/26 £000's	2024/26 £000's	2024/26 £000's	
450	256	455	700	0	0.0
95	40	94	805	0	(2.0)
600	600	600	850	0	0.0
350	0	350	400	0	Note 1
200	0	200	200	0	3.0
80	0	80	100	0	3.0
140	0	140	180	0	tbc
(300)	0	(300)	(300)	0	0.0
<b>1,615</b>	<b>896</b>	<b>1619</b>	<b>2935</b>	<b>0</b>	<b>4.0</b>

Notes

- 1 - Asset Management Target is net of any reinvestment in either capital or recurring spend in remaining buildings.
- 2- CMT recommend the inclusion of a teachers workstream if reductions are permitted by the Scottish Government. The target would be based on a 29FTE reduction (3.8%) which would save approximately £1.80 million
- 3 - Procurement target increased by £55k as approved by CMT. New target of £805k consists of £670k for residual waste contract, £80k Swan and £55k Procurement.