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**Report To:** Education & Communities Committee      **Date:** 4 September 2012

**Report By:** Chief Financial Officer & Corporate Director Education, Communities & Organisational Development      **Report No:** FIN/63/2012/AP/IC

**Contact Officer:** Iain Cameron      **Contact No:** 01475 712832

**Subject:** Communities 2012/13 Revenue Budget Report- Period 3 to 30 June 2012 & Capital Report 2012/16 - Progress

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## 1.0 PURPOSE

- 1.1 To advise Committee of the 2011/12 Revenue Budget final out-turn and the 2012/13 Revenue Budget position at Period 3 to 30 June 2012.
- 1.2 To update the Committee in respect of the status of the projects forming the Communities Capital Programme 2012/16 and to highlight the overall financial position.

## 2.0 SUMMARY

- 2.1 In 2011/12, excluding the planned carry forward of Earmarked Reserves of £3,817,000, primarily for the Strategic Housing Fund and Scheme of Assistance, there was an underspend of £144,000 against a budget figure of £11,259,000. This equates to 1.3% of the total budget and was £91,000 less expenditure than reported previously to the former Regeneration and Safe Sustainable Communities Committees in March 2012.
- 2.2 The total Communities budget for 2012/13 is £8,271,140. A further £3,366,000 brought forward as Earmarked Reserves will also be used to fund various Housing initiatives. The latest projection is an underspend of £85,000.

## 3.0 RECOMMENDATIONS

- 3.1 That the Committee note the final out-turn for 2011/12 and the current projected £85,000 underspend for the 2012/13 Revenue Budget as at 30 June 2012.
- 3.2 That the Committee note the progress of the projects forming the Communities Capital Programme 2012/16.

Alan Puckrin  
Chief Financial Officer

Albert Henderson  
Corporate Director Education, Communities  
& Organisational Development

## 4.0 BACKGROUND

4.1 This report is to advise Committee of the current position of the 2012/13 Revenue Budget to Period 3 June 2012 and the final out turn for the 2011/12 Revenue Budget. The main issues contributing to the £144,000 underspend in 2011/12 and the projected underspend of £85,000 for 2012/13 are highlighted. The report also highlights progress of the Communities Capital Programme 2012/16.

## 5.0 2011/12 OUT-TURN

5.1 The final out turn for the Communities 2011/12 Revenue Budget after adjustments for Reserves was an underspend of £144,000. The main factors contributing to this underspend in 2011/12 were:

	Revised Budget 2011/12 £000	Out Turn 2011/12 £000	Variance To Budget £000	P9 Projected Variance £000	Movement Since P9 Projection £000
Libraries & Museum	1,515	1,521	6	(25)	31
Sports & Leisure	1,719	1,650	(69)	0	(69)
Safer Communities	3,556	3,510	(46)	(16)	(30)
Housing	641	635	(6)	(4)	(2)
Community Halls	497	468	(29)	(8)	(21)
Grants to Vol Organisations	178	178	0	0	0
<b>TOTAL NET EXPENDITURE</b>	<b>8,106</b>	<b>7,962</b>	<b>(144)</b>	<b>(53)</b>	<b>(91)</b>

The main differences are explained in greater detail below.

### Libraries & Museum:

Total overspend £6,000.

This was £19,000 more expenditure than previously reported to the March 2012 Regeneration Committee.

Employee Costs had an underspend of £33,000 due to the non-filling of a Libraries vacancy which was removed as a saving as part of the 2012/13 budget process.

The corporate allocation of Employer's Liability Insurance exceeded budget by £31,000, however, across all Directorates insurance was in line with budget.

### Sports & Leisure:

Total underspend £69,000.

This was £69,000 less expenditure than reported to the March 2012 Regeneration Committee and was due to delays in receiving information from Inverclyde Leisure. Overspend of £122,000 for Waivers granted for football pitch hires was offset by a £210,000 over recovery of income, mostly from football.

### Safer Communities:

Total underspend £46,000.

Expenditure was £30,000 less than previously reported to the March 2012 Safe Sustainable Communities Committee. Underspend for Employee Costs was £16,000 due mainly to savings in overtime. The balance of the underspend relates to an over recovery of income, primarily from Fixed Penalty enforcement.

### Community Halls:

Total underspend £29,000.

This was £21,000 less expenditure than reported to the last Regeneration Committee. An overspend of £100,000 on Waivers granted for School and Community Halls lets was offset by a £143,000 over recovery in income received from School Lets. The Corporate allocation of Employer's Liability Insurance exceeded budget by £23,000.

## **6.0 2012/13 PROJECTION**

6.1 The main issues to highlight in relation to the 2012/13 projected underspend of £85,000 are:

### Sports & Leisure: - Underspend £74,000

The 2012/13 budget for Waivers granted for pitch hires is £63,000. Based on the 2011/12 expenditure this budget is projected to overspend by £122,000. The overspend will be contained by an over recovery of income generated from the pitches. The projected out-turn for pitch income is £196,000 more than the budget of £93,000.

### Safer Communities: Overspend £26,000

Employee Costs are projected to overspend by £38,000 due to incremental drift and the non achievement of turn over savings. Based on latest information from Renfrewshire Council the Civil Contingency budget for 2012/13 will underspend by £12,000.

### Community Halls: Underspend £43,000

The 2012/13 budget for Waivers granted for School and Community Hall Lets is £60,000. Based on the expenditure for 2011/12 this budget is projected to overspend by

£100,000. The overspend will be contained by an over recovery of income generated from the Lets. The projected out turn for Lets income is £142,000 more than the budget of £48,000.

## 7.0 VIREMENTS

7.1 There are no virements requested at this stage although one will be required later in the year relating to Waivers and Lets income.

## 8.0 IMPLICATIONS

8.1 The current projected out-turn per Service is:

2011/12 Actual £000	Service	Approved Budget 2012/13 £000	Revised Budget 2012/13 £000	Projected Out-turn 2012/13 £000	Projected over/(under) spend £000
1,521	Libraries & Museum	1,495	1,495	1,495	0
1,650	Sports & Leisure	1,663	1,663	1,589	(74)
3,510	Safer Communities	3,419	3,416	3,442	26
635	Housing	811	811	816	5
468	Community Halls	498	498	456	(42)
178	Grants to Vol Orgs	199	388	388	0
7,962	Total Communities	8,085	8,271	8,186	(85)

See Appendix 2 for additional detail.

## 9.0 EARMARKED RESERVES

9.1 Appendix 3 gives a detailed breakdown of the current earmarked reserves position. Total funding is £4,982,000 of which £1,647,000 is projected to be spent in 2012/13. The remaining balance of £3,335,000 will be carried forward to 2013/14 and beyond. It can be seen that expenditure of £244,000 represents 14.8% of the 2012/13 projected spend.

## 10.0 CAPITAL PROGRAMME

10.1 The Communities Capital Programme consists of various Housing projects under the Scheme of Assistance (SOA) that was previously reported to the Safe Sustainable Communities Committee. The projected spend for 2012/16 is £4.049m of which £1.653m relates to the current Financial Year as detailed in Appendix 4. Expenditure to date at the end of Period 3 to June 2012 is currently 9% of the 2012/13 projected spend. Approximately £0.465m of Grant Expenditure has been approved and currently there is no slippage to report.

10.2 Appendix 5 provides a detailed overall summary for the total Scheme of Assistance (SOA) expenditure by project category.

## **11.0 CONCLUSIONS**

11.1 The Committee is currently reporting a projected underspend of £85,000 for the 2012/13 Communities Revenue Budget.

## **12.0 EQUALITIES**

12.1 There are no Equalities issues.

## **13.0 CONSULTATION**

13.1 The report has been jointly prepared by the Corporate Director Education, Communities & Organisational Development and the Chief Financial Officer.

**COMMUNITIES****REVENUE BUDGET MONITORING REPORT****MATERIAL VARIANCES****PERIOD 3 : 1st April 2012 - 30th June 2012**

<u>Out Turn</u> <u>2011/12</u> <u>£000</u>	<u>Budget</u> <u>Heading</u>	<u>Budget</u> <u>2012/13</u> <u>£000</u>	<u>Proportion</u> <u>of Budget</u>	<u>Actual to</u> <u>30-Jun-12</u> <u>£000</u>	<u>Projection</u> <u>2012/13</u> <u>£000</u>	<u>(Under)/Over</u> <u>Budget</u> <u>£000</u>	<u>Percentage</u> <u>Over / (Under)</u>
	<b>Sports &amp; Leisure</b>						
185	Pitch Waivers	63	16	6	185	122	193.7%
(290)	Football Pitch Income	(93)	(23)	0	(289)	(196)	210.8%
	<b>Safer Communities</b>						
3,037	Employee Costs	2,919	759	758	2,957	38	1.3%
68	Civil Contingency Charge	75	75	63	63	(12)	(16.0%)
	<b>Community Halls</b>						
159	Lets Waivers	60	15	0	160	100	166.7%
(189)	Lets Income	(48)	(12)	0	(190)	(142)	295.8%
<b>Total Material Variances</b>						<b>(90)</b>	

COMMUNITIESREVENUE BUDGET MONITORING REPORTCURRENT POSITIONPERIOD 3 : 1st April 2012 - 30th June 2012

2011/12 Actual £000	Subjective Heading	Approved Budget 2012/13 £000	Revised Budget 2012/13 £000	Projected Out-turn 2012/13 £000	Projected Over/(Under) Spend £000	Percentage Over/(Under)
4,290	Employee Costs	4,165	4,174	4,219	45	1.1%
541	Property Costs	508	508	508	0	-
1,937	Supplies & Services	1,917	1,917	1,917	0	-
56	Transport Costs	53	53	53	0	-
150	Administration Costs	56	56	56	0	-
3,417	Other Expenditure	1,803	1,992	2,202	210	10.5%
(2,429)	Income	(417)	(429)	(769)	(340)	79.3%
7,962	TOTAL NET EXPENDITURE	8,085	8,271	8,186	(85)	(1.0%)

2011/12 Actual £000	Objective Heading	Approved Budget 2012/13 £000	Revised Budget 2012/13 £000	Projected Out-turn 2012/13 £000	Projected Over/(Under) Spend £000	Percentage Over/(Under)
1,521	Libraries & Museum	1,495	1,495	1,495	0	-
1,650	Sports & Leisure	1,663	1,663	1,589	(74)	(4.4%)
3,510	Safer Communities	3,419	3,416	3,442	26	0.8%
635	Housing	811	811	816	5	0.6%
468	Community Halls	498	498	456	(42)	(8.4%)
178	Grants to Vol Orgs	199	388	388	0	-
7,962	TOTAL COMMUNITIES	8,085	8,271	8,186	(85)	(1.0%)

## EARMARKED RESERVES POSITION STATEMENT

## COMMITTEE: Communities

Project	Lead Officer/ Responsible Manager	c/f Funding 2011/12 £000	New Funding 2012/13 £000	Total Funding 2012/13 £000	Actual To Period 3 2012/13 £000	Projected Spend 2012/13 £000	Amount to be Earmarked for 2013/14 & Beyond £000	Lead Officer Update
Strategic Housing Fund	John Arthur	1,164	0	1,164	0	0	1,164	Funding is for Strategic Housing functions, especially Contaminated Land costs on RCH sites. No projected spend in 12/13.
Support for Owners	John Arthur	1,510	454	1,964	234	1,457	507	The c/fwd balance is made up of £647k from the 09/10 RTB receipts and £863k from the 10/11 RTB receipts. Anticipated new funding of £454k (grant offer due). There is projected spend of £1.457m on committed works. £1.910m. RCH are preparing further investment SHQS programmes for 12/13. Includes lift replacement in 2 multi's (estimate £250k) and external SHQS works (estimate to be advised).
Renewal of Clune Park	John Arthur	682	1,162	1,844	0	180	1,664	Reserve now includes funding from Council Tax second home discount. Funding to be used for project management, acquisition and demolition costs. Projected spend of £180k for 2012/13 is for Regeneration Plan for Clune Park acquiring properties. An update will be provided following review in June 2012.
GTVO - Playschemes	John Arthur	10	0	10	10	10	0	Spending now complete.
<b>Total</b>		<b>3,366</b>	<b>1,616</b>	<b>4,982</b>	<b>244</b>	<b>1,647</b>	<b>3,335</b>	



COMMUNITIES CAPITAL REPORT APPENDIX 1

COMMITTEE: EDUCATION & COMMUNITIES

Project Name	1	2	3	4	5	6	7	8	9	10	11	Status
	Est Total Cont	Actual to 31/3/12	Approved Budget 2012/13	Revised Est 2012/13	Actual to 30/09/12	Est 2013/14	Est 2014/15	Future Years	Start Date	Original Completion Date	Current Completion Date	
	£000	£000	£000	£000	£000	£000	£000					
<b>Supported Borrowing</b>												
Scheme of Assistance - Aids & Adaptions	200	0	100	100	100	100						
<b>Grant Funded</b>												
Scheme of Assistance - Grant Funded (2012-2015)	2,283	0	833	833	0	500	950					
CFCR												
Aids & Adaptions EMR	700	313	287	287	38	100						
Scheme of Assistance Core	866	0	433	433	11	433						
Total SOA Capital	4,049	313	1,653	1,653	149	1,133	950	0				

SCHEME OF ASSISTANCE SUMMARY

COMMITTEE: EDUCATION & COMMUNITIES

**Appendix 5**

	Budget 2012/13 £000	Proportion of Budget £000	Actual to 30/06/12 £000	Projection 2012/13 £000	(Under) / Over Budget £000	Percentage Over / (Under) £000
<b><u>Assistance To Support Independent Living</u></b>						
Care & Repair (including Small Repair Service)	246	0	0	246	0	0.0%
Grant Assistance - Adaptions	820	205	138	820	0	0.0%
<b><u>House Conditions Works</u></b>						
Implement Scheme of Assistance	1	0	0	1	0	0.0%
Lead Pipe Replacement	7	2	0	7	0	0.0%
BTS Housing	50	0	0	50	0	0.0%
Central Heating Grants	65	16	6	65	0	0.0%
RSL Owners	35	9	2	35	0	0.0%
Empty Home Fund	50	0	0	50	0	0.0%
Regeneration Enabling (Clune Park)	379	95	3	379	0	0.0%
<b>Total Scheme of Assistance</b>	<b>1,653</b>	<b>327</b>	<b>149</b>	<b>1,653</b>	<b>0</b>	<b>0.0%</b>