
Report To: Education & Communities Committee **Date:** 22 January 2013

Report By: Chief Financial Officer & Corporate Director Education, Communities & Organisational Development **Report No:** FIN/112/12/AP/IC

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

Subject: Communities 2012/13 Revenue Budget Report- Period 8 to 30 November 2012 & Capital Report 2012/16 - Progress

1.0 PURPOSE

- 1.1 To advise Committee of the 2012/13 Revenue Budget position at Period 8 to 30 November 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 The Education & Communities Committee of 30 October 2012 was informed that the projected out-turn for 2012/13 Revenue Budget as at Period 5 was an underspend of £108,000. The latest projection as at Period 8 is an underspend of £38,000 (0.5% of the total Communities Budget.) This represents an increase in expenditure of £70,000 since the last report.
- 2.2 The total Communities budget for 2012/13 is £8,195,800. A further £3,366,000 brought forward as Earmarked Reserves will also be used to fund various Housing initiatives.
- 2.3 The projected spend for the Communities Capital Programme 2012/16 is £8.049m of which £1.753m relates to the current Financial Year. At the end of Period 8 total spend is 34.8% of the projected total for 2012/13.

3.0 RECOMMENDATIONS

- 3.1 That the Committee note the current projected underspend of £38,000 for the 2012/13 Revenue Budget as at 30 November 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 & OD

4.0 BACKGROUND

- 4.1 This report is to advise Committee of the current position of the 2012/13 Revenue Budget to Period 8, 30 November 2012 and highlight the main issues contributing to the projected underspend of £38,000. The report also highlights progress of the Communities Capital Programme 2012/16.

5.0 2012/13 PROJECTION

- 5.1 The main issues to highlight in relation to the 2012/13 projected underspend of £38,000 are:

Sports & Leisure: - Overspend £10,000

The 2012/13 budget for Waivers granted for pitch hires is £63,000. Based on the 2011/12 expenditure and information received from Inverclyde Leisure this year this budget is projected to overspend by £122,000. The projection remains the same as previously reported to Committee.

The latest projection for income from Pitch Lets is an over recovery of £112,000. The projected over recovery has reduced by £84,000 since last Committee on the basis that there is a retrospective VAT liability relating to the previous two financial years. Officers of the Council, in conjunction with Inverclyde Leisure, continue to work on the transaction details and an exact adjustment will be included in the next Committee report. The overspend for Sports & Leisure will be contained within the overall Communities budget.

Libraries & Museum : Underspend £8,000

Non Domestic Rates (NDR) are projected to underspend by £12,000 due to Empty Relief being applied to the Greenock Central Library during the period of renovation.

Safer Communities: Underspend £2,000

Employee Costs are projected to overspend by £16,000. The cost of incremental drift and the non achievement of turnover savings will be partially offset by a reduction in overtime costs. The projection remains the same as reported to the last Committee. Based on latest information from Renfrewshire Council, the Civil Contingency budget for 2012/13 will underspend by £12,000. This projection has not changed since the last Committee.

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 and information received from Inverclyde Leisure this year, 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. There is no change from the projection to the last Committee.

Housing : Overspend £5,000

As previously reported to the last Committee, a budget of £72,000 is in place to fund the Prudential Borrowing required for the Clune Park Regeneration project. There are no plans to spend this budget until Financial Year 2014/15 and as such, the £72,000 in the 2012/13 budget will be added to the Clune Park earmarked reserve at the year end. There is also a projected overspend of £5,000 for Employee Costs as a result of non achievement of turnover savings within Housing.

6.0 VIREMENTS

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

7.0 IMPLICATIONS

7.1 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	1,496	1,498	1,490	(8)
1,650	Sports & Leisure	1,663	1,663	1,673	10
3,510	Safer Communities	3,418	3,416	3,414	(2)
635	Housing	811	811	816	5
468	Community Halls	498	498	455	(43)
178	Grants to Vol Orgs	199	381	381	0
	Earmarked Reserves		(72)	(72)	0
7,962	Total Communities	8,085	8,195	8,157	(38)

See Appendix 2 for additional detail.

8.0 EARMARKED RESERVES

8.1 Appendix 3 gives a detailed breakdown of the current earmarked reserves position. Total funding is £4,982,000 of which £1,705,000 is projected to be spent in 2012/13. The remaining balance of £3,277,000 will be carried forward to 2013/14 and beyond. As at Period 8, the expenditure was £244,000 or 14.3% of the 2012/13 projected spend. There has been no additional spend since last Committee, however expenditure of £1,264,000 is anticipated to be incurred in January 2013 increasing the overall percentage spend to 88%.

9.0 CAPITAL PROGRAMME

9.1 The Communities Capital Programme consists of various Housing projects under the Scheme of Assistance (SOA) and a contribution to the refurbishment of the Watt Library Complex. The Watt Library project was reported to the Regeneration and Environment Committee up until October 2012 but will now form part of the Communities Capital Programme. The projected spend for 2012/16 is £8.049m of which £1.753m relates to the current Financial Year as detailed in Appendix 4. Expenditure to date at the end of Period 8 to November 2012 is currently 34.8% of the 2012/13 projected spend.

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

10.0 CONCLUSIONS

10.1 The Committee is currently reporting a projected underspend of £38,000 for the 2012/13 Communities Revenue Budget.

11.0 EQUALITIES

11.1 There are no Equalities issues.

12.0 REPOPULATION IMPLICATIONS

12.1 There are no repopulation implications.

13.0 CONSULTATION

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

COMMUNITIESREVENUE BUDGET MONITORING REPORTMATERIAL VARIANCESPERIOD 8 : 1st April 2012 - 30th November 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>31-Aug-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>
	Sports & Leisure						
185	Pitch Waivers	63	26	74	185	122	193.7%
(290)	Football Pitch Income	(93)	(39)	(78)	(205)	(112)	120.4%
	Safer Communities						
3,037	Employee Costs	2,937	1,216	1,215	2,953	16	0.5%
68	Civil Contingency Charge	75	75	63	63	(12)	(16.0%)
	Community Halls						
159	Lets Waivers	60	25	134	160	100	166.7%
(189)	Lets Income	(48)	(20)	(125)	(190)	(142)	295.8%
Total Material Variances						(28)	

COMMUNITIESREVENUE BUDGET MONITORING REPORTCURRENT POSITIONPERIOD 8 : 1st April 2012 - 30th November 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	4,195	4,222	27	0.6%
541	Property Costs	508	510	498	(12)	(2.4%)
1,937	Supplies & Services	1,917	1,917	1,912	(5)	(0.3%)
56	Transport Costs	53	53	53	0	-
150	Administration Costs	56	75	75	0	-
3,417	Other Expenditure	1,803	1,946	2,155	209	10.7%
(2,429)	Income	(417)	(429)	(686)	(257)	59.9%
7,962	TOTAL NET EXPENDITURE	8,085	8,267	8,229	(38)	(0.5%)
	Earmarked Reserves	0	(72)	(72)	0	
	TOTAL NET EXPENDITURE excluding Earmarked Reserves	8,085	8,195	8,157	(38)	

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	1,496	1,498	1,490	(8)	(0.5%)
1,650	Sports & Leisure	1,663	1,663	1,673	10	0.6%
3,510	Safer Communities	3,418	3,416	3,414	(2)	(0.1%)
635	Housing	811	811	816	5	0.6%
468	Community Halls	498	498	455	(43)	(8.6%)
178	Grants to Vol Orgs	199	381	381	0	-
7,962	TOTAL COMMUNITIES	8,085	8,267	8,229	(38)	(0.5%)
	Earmarked Reserves	0	(72)	(72)	0	

EARMARKED RESERVES POSITION STATEMENT
COMMITTEE: Communities

<u>Project</u>	<u>Lead Officer/ Responsible Manager</u>	<u>cif Funding 2011/12</u> £000	<u>New Funding 2012/13</u> £000	<u>Total Funding 2012/13</u> £000	<u>Actual To Period 8 2012/13</u> £000	<u>Projected Spend 2012/13</u> £000	<u>Amount to be Earmarked for 2013/14 & Beyond</u> £000	<u>Lead Officer Update</u>
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	1,515	449	The c/wd 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). Projected spend of £1.515m based on the expected take-up of grants (against committed works with 100% take-up of £1,775m). RCH are preparing further investment SHQS programmes for 12/13 which include lift replacement in 2 highrise flats (estimate £250k) and external SHQS works (estimate to be advised). Projected amount to be earmarked (£449k) would be utilised if these additional programmes are completed.
Renewal of Clune Park	John Arthur	682	1,162	1,844	0	180	1,664	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. To date 74 Closing Orders have been served and District Valuer is progressing with valuations required for purchase of properties.
GTVO - Playschemes	John Arthur	10	0	10	10	10	0	Spending now complete.
Total		3,366	1,616	4,982	244	1,705	3,277	

COMMUNITIES CAPITAL REPORT APPENDIX 1

COMMITTEE: EDUCATION & COMMUNITIES

Project Name	1	2	3	4	5	6	7	8	9	10	11	Status
	Est. Total Cost	Actual to 31/03/12	Approved Budget 2012/13	Revised Est. 2012/13	Actual to 30/11/12	Est 2013/14	Est 2014/15	Est 2014/15	Start Date	Original Completion Date	Current Completion Date	
	£000	£000	£000	£000	£000	£000	£000	£000				
Housing												
<u>Supported Borrowing</u>												
Scheme of Assistance - Aids & Adaptions	200	0	100	100	100	100						
<u>Grant Funded</u>												
Scheme of Assistance - Grant Funded (2012-2015)	2,283	0	833	833	0	500	950					
<u>CFCR</u>												
Aids & Adaptions EMR	700	313	287	277	265	110						
Scheme of Assistance Core	866	0	433	183	181	683						
Total SOA Capital	4,049	313	1,653	1,393	546	1,393	950					
Cultural												
<u>Supported Borrowing</u>												
Contribution to Watt Complex Refurbishment (includes £1000k CFCE)	4,000	0	100	100	64	1,150	2,750					
Communities Total	8,049	313	1,753	1,493	610	2,543	3,700					Consultant appointed to progress Round 1 of the HLF bid.

SCHEME OF ASSISTANCE SUMMARY

COMMITTEE: EDUCATION & COMMUNITIES

Appendix 5

	Budget 2012/13 £000	Proportion of Budget £000	Actual to 30/11/12 £000	Projection 2012/13 £000	(Under)/ Over Budget £000	Percentage Over / (Under) £000
<u>Assistance To Support Independent Living</u>						
Care & Repair (including Small Repair Service)	246	103	128	246	0	0.0%
Grant Assistance - Adaptions	820	342	365	560	(260)	(31.7%)
<u>House Conditions Works</u>						
Implement Scheme of Assistance	1	1	1	1	0	0.0%
Lead Pipe Replacement	7	3	1	7	0	-
BTS Housing	50	21	0	50	0	0.0%
Central Heating Grants	65	27	6	65	0	0.0%
RSL Owners	35	15	29	35	0	0.0%
Empty Home Fund	50	21	0	50	0	0.0%
Regeneration Enabling (Clune Park)	379	158	16	379	0	0.0%
Total Scheme of Assistance	1,653	691	546	1,393	(260)	(15.7%)