
Report To:	Education & Communities Committee	Date:	5 November 2013
Report By:	Head of Finance & Corporate Director Education, Communities & Organisational Development	Report No:	FIN/82/13/JB/IC
Contact Officer:	Iain Cameron	Contact No:	01475 712832
Subject:	Communities 2013/14 Revenue Budget Report- Period 5 to 31 August 2013 & Capital Report 2013/16 - Progress		

1.0 PURPOSE

- 1.1 To advise Committee of the 2013/14 Revenue Budget position at Period 5 to 31 August 2013.
- 1.2 To update the Committee in respect of the status of the projects forming the Communities Capital Programme 2013/16 and to highlight the overall financial position.

2.0 SUMMARY

- 2.1 The total Communities budget for 2013/14 is £8,564,460. A further £2,467,000 brought forward as Earmarked Reserves will also be used primarily to fund various Housing initiatives.
- 2.2 The latest projection, excluding Earmarked Reserves, is on budget. This is a reduction in expenditure of £2,000 since last Committee.
- 2.3 The main variance to highlight are –
 - (a) Projected overspend of £103,000 for Waivers offset by a £103,000 over recovery of income for Pitch and Hall Lets.
 - (b) Projected overspend of £7,000 for Libraries & Museum as a result of non-achievement of turnover savings.
 - (c) Projected underspend of £7,000 for Housing due to delay in filling vacancy following secondment of employee to the Renewal of Clune Park project.
- 2.4 Earmarked Reserves for 2013/14 total £3,540,000 of which £1,520,000 is projected to be spent in the current financial year. To date expenditure of £126,000 (8.3%) has been incurred. The spend to date per profiling was expected to be £300,000 therefore slippage equates to £174,000 or 58%. The slippage relates to Support For Owners and it is hoped it will be caught up in due course.
- 2.5 The projected spend for the Communities Capital Programme 2013/16 is £10.840m of which £2.197m relates to the current Financial Year. At the end of Period 5 total spend is £0.236m or 10.7% of the projected total for 2013/14. Slippage from the original plan is £0.071m (3.1%).

3.0 RECOMMENDATIONS

- 3.1 That the Committee note the current projection of on budget for the 2013/14 Revenue Budget as at Period 5 to 31 August 2013.
- 3.2 That the Committee note the progress of the projects forming the Communities Capital Programme 2013/16.

Jan Buchanan
Head of Finance

Albert Henderson
Corporate Director Education, Communities & OD

4.0 BACKGROUND

4.1 This report advises Committee of the current position of the 2013/14 Revenue Budget to Period 5, 31 August 2013 and highlights the main issues for consideration. The report also highlights progress of the Communities Capital Programme 2013/16.

5.0 2013/14 PROJECTION

5.1 The main issues to highlight in relation to the 2013/14 Revenue Budget are :-

Sports & Leisure and Community Halls: - On Budget

Although the latest projection remains on budget, as previously reported to Committee, there is an on-going issue with sums previously remitted to the Council from Inverclyde Leisure. Following an investigation, Officers of the Council have now confirmed that for a number of Lets and Pitch Hire transactions, money was remitted to the Council by Inverclyde Leisure prior to payment being received from the customers. Approximately £30,000 remains to be collected for these transactions with £7,000 having been paid since the issue was first highlighted to the last Committee. The debt recovery process has now started for the outstanding amount and it is likely a portion of the £30,000 will not be recoverable and will be offset against this year's income. The latest projection for Waivers / Lets Income has been reduced to on budget from the over recovery seen in previous years as a result.

Libraries & Museum : Overspend £7,000

Employee costs are projected to overspend by £7,000 due to the non-achievement of turnover savings. This is a slight reduction on the £9,000 overspend reported to last Committee.

Expected expenditure of £7,000 for property costs at the Libraries storage unit in Kingston Industrial Estate Port Glasgow and £6,000 for bad debt provision for lost Library books is not included in the current projection. Virements of £13,000 will be identified and reported to next the Committee to fund this expenditure with no overall impact on the Libraries & Museum budget.

Housing : Underspend £7,000

As previously reported to Committee, employee costs are projected to underspend by £7,000. There will be an over achievement of turnover savings due to a delay in filling a vacancy created when an employee was seconded to the Renewal of Clune Park project.

6.0 VIREMENTS

6.1 There are no virements this cycle.

7.0 IMPLICATIONS

7.1 The current projected out-turn per Service is:

2012/13 Actual £000	Service	Approved Budget 2013/14 £000	Revised Budget 2013/14 £000	Projected Out-turn 2013/14 £000	Projected over/(under) spend £000
1,541	Libraries & Museum	1,506	1,511	1,518	7
1,825	Sports & Leisure	1,517	1,519	1,542	23
3,326	Safer Communities	3,372	3,445	3,445	0
701	Housing	811	769	762	(7)
458	Community Halls	890	1,011	988	(23)
372	Grants to Vol Orgs	381	381	381	0
8,223	Total Communities	8,477	8,636	8,636	0
	Earmarked Reserves	0	(72)	(72)	0
	Total Communities	8,477	8,564	8,564	0

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 £3,540,000 of which £1,520,000 is projected to be spent in 2013/14. The remaining balance of £2,020,000 will be carried forward to 2014/15 and beyond. As at Period 5 the expenditure was £126,000 or 8.3% of the 2013/14 projected spend. The spend to date per profiling was expected to be £300,000 therefore slippage equates to £174,000 or 58%. The slippage relates to Support For Owners and it is hoped it will be caught up in due course.

8.2 The position includes three new earmarked reserves agreed at the Policy & Resources Committee of 24 September 2014 –

- £200,000 of additional funding for Renewal of Clune Park.
- £100,000 of funding for major Aids & Adaptations to people's homes.
- £30,000 of funding to expand provision of Summer Playschemes.

9.0 CAPITAL PROGRAMME

- 9.1 The Communities Capital Programme consists of various Housing projects under the Scheme of Assistance (SoA), a contribution to the refurbishment of the Watt Library Complex and funding for new Community Facilities. The projected spend for 2013/16 is £10.840m of which £2.197m relates to the current Financial Year as detailed in Appendix 4. There is slippage of £0.071m (3.1%) from the original plan. Expenditure to date at the end of Period 5 to 31 August 2013 is currently 10.7% of the 2013/14 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 on budget for the 2013/14 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 Head of Finance.

COMMUNITIES**REVENUE BUDGET MONITORING REPORT****MATERIAL VARIANCES****PERIOD 5 : 1st April 2013 - 31st August 2013**

<u>Out Turn</u> <u>2012/13</u> <u>£000</u>	<u>Budget</u> <u>Heading</u>	<u>Budget</u> <u>2013/14</u> <u>£000</u>	<u>Proportion</u> <u>of Budget</u>	<u>Actual to</u> <u>31-Aug-13</u> <u>£000</u>	<u>Projection</u> <u>2013/14</u> <u>£000</u>	<u>(Under)/Over</u> <u>Budget</u> <u>£000</u>	<u>Percentage</u> <u>Over / (Under)</u>
300	Sports & Leisure	113	47	63	166	53	84.1%
(287)	Waivers	(187)	(78)	(68)	(217)	(30)	44.1%
	Lets Income						
	Libraries & Museum						
	None						
	Safer Communities						
	None						
	Housing						
	None						
	Community Halls						
192	Waivers	143	60	154	193	50	32.5%
(235)	Lets Income	(162)	(68)	(145)	(235)	(73)	50.3%
Total Material Variances						0	

COMMUNITIES**REVENUE BUDGET MONITORING REPORT****CURRENT POSITION****PERIOD 5 : 1st April 2013 - 31st August 2013**

2012/13 Actual £000	Subjective Heading	Approved Budget 2013/14 £000	Revised Budget 2013/14 £000	Projected Out-turn 2013/14 £000	Projected Over/(Under) Spend £000	Percentage Over/(Under)
4,321	Employee Costs	4,144	4,340	4,340	0	-
565	Property Costs	534	537	537	0	-
1,992	Supplies & Services	1,812	1,812	1,812	0	-
65	Transport Costs	53	47	47	0	-
177	Administration Costs	54	59	59	0	-
3,142	Other Expenditure	2,523	2,492	2,595	103	4.1%
(2,039)	Income	(643)	(651)	(754)	(103)	15.8%
8,223	TOTAL NET EXPENDITURE	8,477	8,636	8,636	0	-
	Earmarked Reserves	0	(72)	(72)	0	
	TOTAL NET EXPENDITURE excluding Earmarked Reserves	8,477	8,564	8,564	0	

2012/13 Actual £000	Objective Heading	Approved Budget 2013/14 £000	Revised Budget 2013/14 £000	Projected Out-turn 2013/14 £000	Projected Over/(Under) Spend £000	Percentage Over/(Under)
1,541	Libraries & Museum	1,506	1,511	1,518	7	0.5%
1,825	Sports & Leisure	1,517	1,519	1,542	23	1.5%
3,326	Safer Communities	3,372	3,445	3,445	0	-
701	Housing	811	769	762	(7)	(0.9%)
458	Community Halls	890	1,011	988	(23)	(2.3%)
372	Grants to Vol Orgs	381	381	381	0	-
8,223	TOTAL COMMUNITIES	8,477	8,636	8,636	0	-
	Earmarked Reserves	0	(72)	(72)	0	

Appendix 3

EARMARKED RESERVES POSITION STATEMENT
COMMITTEE: Communities

Project	Lead Officer/ Responsible Manager	of Funding 2012/13 £000	New Funding 2013/14 £000	Total Funding 2013/14 £000	Phased Budget To Period 5 2013/14 £000	Actual To Period 5 2013/14 £000	Projected Spend 2013/14 £000	Amount to be Earmarked for 2014/15 & Beyond £000	Lead Officer Update
Support for Owners	John Arthur	806	328	1,134	219	339	1,134	0	RCH to transfer 2013/14 RTB Receipts of £328k in September 2013. IC have issued provisional offers of grant and now awaiting responses from owners. RCH have confirmed SFO programme and are assisting owners to submit grant applications for processing by IC.
Renewal of Clune Park	John Arthur	1,281	365	1,646	20	23	277	1,369	2013/14 funding of £165k anticipated for Council Tax receipts on second homes and long term empty properties. Projected spend due to Housing staff costs £47k and acquisition of flats (subject to negotiation/ final settlement with individual owners) £230k. Year to date spend due to staff costs. Offers to purchase properties will begin in October based on IC valuations. An additional £200,000 of funding has been added to the earmarked reserve following approval by Policy & Resources Committee on 24 Sept 2013.
GTVO - Playschemes	John Arthur	9	0	9	9	9	9	0	Fully spent in June 2013 per awards made by Grants Sub Committee 12/06/13.
SG Empty Homes Loan	John Arthur	371	0	371	2	5	50	321	Interest in this scheme from owners has been low. There is a possibility that a substantial part may be returned to Scottish Government. IC have met Oak Tree Housing Association regarding progress of applications. OT to intensify advertising schedule.
Beacon Arts Match Fund	Angele Edwards	0	250	250	50	50	50	200	First instalment of £50k has been paid to the Beacon as per P&R Committee 26/03/13. Remaining £200k is agreed funding up until 2015/16.
Aids & Adaptions	John Arthur	0	100	100	0	0	0	100	This new reserve was approved at Policy & Resources Committee on 24 Sept 2013 and is funding for major aids and adaptions to support more people remaining within their own homes.
Summer Playschemes	John Arthur	0	30	30	0	0	0	30	This new reserve was approved at Policy & Resources Committee on 24 Sept 2013 and is funding to expand summer playscheme provision.
Total		2,467	1,073	3,540	300	126	1,520	2,020	

COMMUNITIES CAPITAL REPORT APPENDIX 1

Appendix 4

COMMITTEE: EDUCATION & COMMUNITIES

1	2	3	4	5	6	7	8	9	10	11	Status
Est Total Cost	Actual to 31/3/13	Approved Budget 2013/14	Revised Est 2013/14	Actual to 31/08/13	Est 2014/15	Est 2015/16	Future Years	Start Date	Original Completion Date	Current Completion Date	
£000	£000	£000	£000	£000	£000	£000					
Housing											
Supported Borrowing											
	100	100	100	100	0	0	0				Completed
	2,390	940	940	0	950	500	0				Ongoing
Grant Funded											
	700	360	360	0	0	0	0				
	1299	433	433	127	433	433	0				
	4,489	340	1,833	227	1,383	933	0				
Cultural & Sports											
Supported Borrowing											
	4,000	171	100	0	3,821	0	0				Ongoing
	1,601	264	264	9	1,301	0	0				Ongoing
	750	0	0	0	750	0	0				Commences 2014/15
	6,351	435	364	9	5,872	0	0				
Communities Total											
	10,840	455	2,197	236	7,255	933	0				

SCHEME OF ASSISTANCE SUMMARY

COMMITTEE: EDUCATION & COMMUNITIES

Appendix 5

	Budget 2013/14 £000	Proportion of Budget £000	Actual to 31/08/13 £000	Projection 2013/14 £000	(Under)/ Over Budget £000	Percentage Over/ (Under) £000
<u>Assistance To Support Independent Living</u>						
Care & Repair (including Small Repair Service)	246	82	0	246	0	0.0%
Grant Assistance - Adaptions	780	260	205	780	0	-
<u>House Conditions Works</u>						
Private Laddord Advice	1	1	1	1	0	0.0%
Implement Scheme of Assistance	2	0	0	2	0	-
Lead Pipe Replacement	4	1	1	4	0	0.0%
BTS Housing	85	28	7	85	0	0.0%
Central Heating Grants	28	9	13	28	0	0.0%
RSL Owners	35	12	0	35	0	0.0%
Empty Home Fund	273	91	0	273	0	0.0%
Regeneration Enabling	19	6	0	19	0	0.0%
Total Scheme of Assistance	1,473	490	227	1,473	0	-