

Scotland Excel

To: Executive Sub-Committee

On: 29th May 2020

Joint Report by:

Treasurer and the Chief Executive of Scotland Excel

Revenue Budget Monitoring Report to 31 March 2020

1. Summary

- 1.1 Scotland Excel has ended the 2019/20 financial year with a net overspend of £6,139 within its Core Operations. This is a saving of £7,861 compared to the budgeted reserve drawdown of £14,000. Further detail is provided in Section 4.

2. Recommendations

- 2.1 It is recommended that members note the year-end positions in both Core Operations and Projects detailed within the report.

3. Background

- 3.1 The 2019/20 budget was approved by the Joint Committee in December 2018. This amounted to a net drawdown from reserves of £14,000 in the year for Core Operations.
- 3.2 At 31 March 2020, the net expenditure position is a drawdown of £6,139; an underspend for 2019/20 of £7,861.
- 3.3 As projected at Period 10, the expenditure overspend arises mainly within Employee Costs (£59,812), owing to maternity backfill arrangements and required agency resources. There are other minor overspends in Premises Costs and Apprenticeship Levy (Transfer Payments).

- 3.4 These are offset by underspends across Supplies and Services, including furniture and marketing (£7,757) and Transport Costs (£4,764). The net result is an overspend in gross expenditure for 2019/20 of £51,611.
- 3.5 Income was higher than anticipated as, reported earlier in the year, a Scottish Government Grant of £150,633 funded the Supported Living / Care at Home activity that was budgeted to be funded from £120,000 of Project reserve balances; this drawdown was no longer needed. This, along with other short-term unplanned project income, resulted in an over-recovery in gross income for 2019/20 of £59,472.
- 3.6 At 1 April 2019, the balance on the Projects Reserve was £636,924.
- 3.7 The Projects ended the year at 31 March 2020 with a surplus of income over expenditure of £126,368. This balance is committed for future Project spend. The detail and management of this balance will be reported in the draft Annual Accounts, due to be brought before the Joint Committee on 19 June 2020.
- 3.8 The following table provides an analysis of the budget and actual spend during 2019/20 and includes a summary of movement in the General Reserve, as well as a Glossary of terms.

REVENUE BUDGET MONITORING STATEMENT 2019/20

1 April 2019 to 31 March 2020

Description	Budget 2019/20	New budget adjustments	Revised Budget 2019/20	Actual 2019/20	Variance 2019/20
£000s	£000s	£000s	£000s	£000s	£000s
Employee Costs	3,108	0	3,108	3,169	(61)
Premises Related Costs	217	0	217	219	(2)
Supplies and Services	255	0	255	246	9
Support Costs	221	0	221	224	(3)
Supported Living/Care at Home	169	0	169	166	3
Transfer Payments	11	0	11	13	(2)
Transport Costs	35	0	35	30	5
Gross Expenditure	4,016	0	4,016	4,067	(51)
Requisition Income	(3,554)	0	(3,554)	(3,554)	0
Income from Projects	(173)	0	(173)	(173)	0
Temporary Use of Project Balances	(120)	0	(120)	0	(120)
Other Income	(155)	0	(155)	(334)	179
Gross Income	(4,002)	0	(4,002)	(4,061)	59
Drawdown from Reserves	14	0	14	6	8

Revenue Reserves	£000s
Opening Revenue Reserve at 1 April 2019	(241)
Actual Draw on Reserves	6
Closing Revenue Reserve at 31 March 2020	(235)

Project Summary			
Gross Expenditure	1,428	1,805	(377)
Gross Income	(1,601)	(1,931)	330
	(173)	(126)	(47)

Glossary

Employee Costs: Includes direct employee costs such as salary costs, overtime and indirect employee costs such as training, recruitment advertising

Premises Related Costs: Includes expenses directly related to the running of premises and land, eg rates, rents and leases, utilities, contract cleaning

Supplies and Services: Includes all supplies and service expenses, such as ICT costs, and administrative costs such as stationery, postages, printing and advertising

Support Costs: Includes central support charges e.g. Renfrewshire Council SLA and telephony recharges

Transfer Payments: Includes costs of payments for which no good or services are received in return e.g. Apprenticeship Levy

Transport Costs: Includes all costs associated with the provision, hire or use of transport, including travelling allowances, taxi and car hire costs and staff mileage

Other Income: Includes Associate Memberships, income from Crown Commercial Services and consultancy fee income