

SCOTLAND EXCEL

To: Scotland Excel Executive Sub Committee

On: 6 March 2015

Report by: Joint Report by the Treasurer and the Director

Heading: Revenue Budget Monitoring Report to 30 January 2015

1. Summary

- 1.1 Gross expenditure is £46,000 under budget and income is currently £145,000 over recovered which results in a net underspend of £191,000 for Scotland Excel. This is summarised in point 4:

2 Recommendations

- 2.1 It is recommended that members consider the report.

3 Budget Adjustments Since Last Report

- 3.1 There have been no budget adjustments since the last report.

4 Budget Performance

- | | |
|-----------------------------|--------------------------------|
| 4.1 Current Position | Net Underspend £191,000 |
| <i>Previously Reported</i> | <i>Net Underspend £197,000</i> |

The variance in expenditure is primarily due to an underspend in Employee Costs and Supplies & Services partially offset by an overspend in Administrative Costs.

The underspend in Employee Costs is mainly related to 4 vacancies within procurement roles. A recruitment process is underway and these posts are expected to be filled by the year end. This is partially offset by agency fees for additional temporary staff. Additional Employee and Travel Costs in relation to the procurement reform team are offset by additional income.

The underspend in Supplies and Services is due to delays in the planned expenditure on IT development.

The overspend in Administration Costs is mainly due to legal fees incurred following a recent challenge over a tendering contract, the majority of these costs are expected to be recovered on conclusion of the legal process. Additional recruitment costs related to the filling of vacancies have also contributed to the overspend.

Training courses delivered by Scotland Excel have resulted in the overspend within Payments to Other Bodies. These are fully recharged back to delegates and offset by additional income.

The over recovery of Other Income relates to the recoverable Employee Costs, Legal Fees and Training Costs discussed above.

4.2 Projected Year End Position

The projected year end position shows a draw down from reserves of £337,700 which is £117,700 less than the approved draw down primarily associated with the vacancies discussed in 4.1. This includes a projected draw on reserves of £112,900 in respect of VR/VER costs as discussed in the 2015-16 Revenue Estimates report approved by the Joint Committee on the 5 December 2014.

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2014/15
1st April 2014 to 30th January 2015

JOINT COMMITTEE : SCOTLAND EXCEL

Description (1)	Agreed Annual Budget (2)	Year to Date Budget (3)	Year to Date Actual (4)	Adjustments (5)	Revised Actual (6) = (4 + 5)	Budget Variance		
	£000's	£000's	£000's	£000's	£000's	£000's	(7)	%
Employee Costs	2,721	2,211	2,112	0	2,112	99	4.5%	underspend
Property Costs	178	172	172	0	172	0	0.0%	breakeven
Supplies & Services	183	102	67	0	67	35	34.3%	underspend
Contractors and Others	247	206	202	0	202	4	1.9%	underspend
Administration Costs	308	55	80	0	80	(25)	-45.5%	overspend
Payments to Other Bodies	33	19	86	0	86	(67)	-352.6%	overspend
GROSS EXPENDITURE	3,670	2,765	2,719	0	2,719	46	1.7%	underspend
Contributions from Local Authorities	(3,184)	(3,184)	(3,184)	0	(3,184)	0	0.0%	breakeven
Other Income	(30)	(30)	(175)	0	(175)	145	483.3%	over-recovery
INCOME	(3,214)	(3,214)	(3,359)	0	(3,359)	145	4.5%	over-recovery
TRANSFER (TO)/FROM RESERVES	456	(449)	(640)	0	(640)	191	42.5%	underspend

	Agreed Annual Budget	Year to Date Budget	Year to Date Actual	Adjustments	Revised Actual
CORE OPERATIONS EXPENDITURE	3,265	2,469	2,435	0	2,435
NON-CORE OPERATIONS EXPENDITURE	405	296	284	0	284
TOTAL GROSS EXPENDITURE	3,670	2,765	2,719	0	2,719

Budgeted Deficit	£000's	£000's
Anticipated Year End Deficit	456	(1,135)
	338	(797)

Opening Reserves
Anticipated Closing Reserves