

Scotland Excel

To: Executive Sub Committee

On: 6 December 2019

Report by:

Joint Report by the Treasurer and the Director

Revenue Budget Monitoring Report to 8 November 2019

1. Summary

- 1.1 At the end of Period 8, Scotland Excel is projecting a break-even position by year-end in its Core activities and Projects are anticipated to contribute £173k to Core as per the budget approved in December 2018. Further detail is provided at section 3.

2. Recommendations

- 2.1 It is recommended that members note the report.

3. Background

- 3.1 At 8 November 2019, the year-to-date net expenditure for Core was £400k, comprising gross expenditure of £2,051k, less gross income of £1,651k.
- 3.2 The projection for the end of 2019/20 is a break-even position for Core, which equates to a budgeted drawdown from reserves of £14k. This is comprised mainly of a projected overspend of £33k in Employee Costs owing to some staff backfill arrangements, which has reduced since Period 6 due to new vacancies; offset by the additional £30k in income relating to Supported Living / Care at Home, as reported at Period 4.
- 3.3 Income and expenditure will continue to be monitored through the financial year and this projection will be kept under review.
- 3.4 The year-to-date net expenditure for Projects is £108k, comprising gross expenditure of £874k, less gross income of £982k. Projects are expected to contribute £173k funding to Core Operations during 2019/20 as per the approved budget.

- 3.5 The following table provides an analysis of the actual spend to date along with projected net expenditure for 2019/20 and includes a summary of movement in the Revenue Reserve, as well as a glossary of terms.
- 3.6 There have been no budget adjustments since the last report.

REVENUE BUDGET MONITORING STATEMENT 2019/20
1 April 2019 to 8 November 2019

Description	Agreed Budget as at 25 October 2019	New budget adjustments	Revised Budget 2019/20	Year to Date Actual 2019/20	Projected Full Year Actual 2019/20	Projected Full Year Variance 2019/20
£000s	£000s	£000s	£000s	£000s	£000s	£000s
Employee Costs	3,108	0	3,108	1,767	3,141	(33)
Premises Related Costs	217	0	217	0	217	0
Supplies and Services	255	0	255	115	251	4
Support Costs	221	0	221	63	222	(1)
Supported Living/Care at Home	169	0	169	90	169	0
Transfer Payments	11	0	11	7	11	0
Transport Costs	35	0	35	9	35	0
Gross Expenditure	4,016	0	4,016	2,051	4,046	(30)
Requisition Income	(3,554)	0	(3,554)	(1,326)	(3,554)	0
Income from Projects	(173)	0	(173)	(94)	(173)	0
Temporary Use of Project Balances	(120)	0	(120)	0	0	(120)
Other Income	(155)	0	(155)	(231)	(305)	150
Gross Income	(4,002)	0	(4,002)	(1,651)	(4,032)	30
Drawdown from Reserves	14	0	14	400	14	0

Summary of in-year Movement in Reserves	£000s
Opening Revenue Reserve at 1 April 2019	(246)
Budgeted Draw on Reserves	14
Projected year-end variance	0
Closing Revenue Reserve at 31 March 2020	(232)

Project Summary				
Gross Expenditure	1,428	874	1,428	0
Gross Income	(1,601)	(982)	(1,601)	0
	(173)	(108)	(173)	0

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