

Scotland Excel**To: Executive Sub-Committee****On: 21 June 2019****Report by:****Joint Report by the Treasurer and the Director****Heading:****Revenue Budget Monitoring Report to 24 May 2019****1. Summary**

- 1.1 At the end of Period 2, Scotland Excel is projecting a break-even position in its Core activities. Projects are anticipated to contribute £173k as per the budget approved in December 2018. Further detail is provided in Section 4.

2. Recommendations

- 2.1 It is recommended that members note the report.

3. Background

- 3.1 The 2019/20 budget was approved by the Joint Committee on 7 December 2018. This included a temporary drawdown from Project balances carried forward of £120k in the year for Core Operations.
- 3.2 There has been one budget adjustment, as shown in the financial statement below, moving £10k from Employee Costs to Transport Costs. This is to cover travel and other employee expenses that are now classified differently in the ledger.
- 3.3 At 24 May 2019, the year-to-date net expenditure for Core is £214k, comprising gross expenditure of £370k, less gross income of £156k.
- 3.4 The projection for the end of 2019/20 is a break-even position for Core. Income and expenditure will continue to be monitored through the financial year and this projection will be kept under review.

- 3.5 The year-to-date net expenditure for Projects is £70k, comprising gross expenditure of £187k, less gross income of £117k. Projects are expected to contribute £173k funding to Core Operations during 2019/20, as per the approved budget.
- 3.8 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.

SCOTLAND EXCEL
REVENUE BUDGET MONITORING STATEMENT 2019/20
1 April 2019 to 24 May 2019

Description	Agreed Budget 2019/20	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	3,140	(10)	3,130	274	3,130	0
Premises Related Costs	218	0	218	0	218	0
Supplies and Services	248	0	248	37	248	0
Support Costs	221	0	221	57	221	0
Supported Living/Care at Home	169	0	169	0	169	0
Transfer Payments	6	0	6	1	6	0
Transport Costs	0	10	10	1	10	0
Gross Expenditure	4,002	0	4,002	370	4,002	0
Requisition Income	(3,554)	0	(3,554)	0	(3,554)	0
Income from Projects	(173)	0	(173)	0	(173)	0
Temporary Use of Project Balances	(120)	0	(120)	0	(120)	0
Other Income	(155)	0	(155)	(156)	(155)	0
Gross Income	(4,002)	0	(4,002)	(156)	(4,002)	0
Drawdown from Reserves	0	0	0	214	0	0

Summary of in-year Movement in Reserves	£000s
Opening Revenue Reserve at 1 April 2019	(203)
Budgeted Draw on Reserves	0
Year-end overspend	0
Closing Revenue Reserve at 31 March 2020	(203)

Project Summary			
Gross Expenditure	1,428	187	1,428
Gross Income	(1,601)	(117)	(1,601)
	(173)	70	(173)

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