

Scotland Excel

To: Executive Sub Committee

On: 28 February 2020

Report by:

Joint Report by the Treasurer and the Director

Revenue Budget Monitoring Report to 3 January 2020

1. Summary

- 1.1 At the end of Period 10, Scotland Excel is projecting a £14k underspend compared to budget in its Core activities by year-end and Projects are anticipated to contribute £173k to Core as per the budget approved in December 2018. Further detail is provided in Section 3.

2. Recommendations

- 2.1 It is recommended that members note the report.

3. Background

- 3.1 At 3 January 2020, the year-to-date net income for Core was £1,320k, comprising gross expenditure of £2,570k, less gross income of £3,890k.
- 3.2 The projection for the end of 2019/20 is a break-even position for Core, which results in a favourable variance to budget, as the planned drawdown from reserves of £14k is no longer required.
- 3.3 This arises despite a projected overspend in Employee Costs of £65k, owing to some maternity backfill arrangements and agency resource; this is offset by increased Associate Income, as well as an additional £30k grant income relating to Supported Living / Care at Home, as reported at Period 4.
- 3.4 The year-to-date net expenditure for Projects is £113k, comprising gross expenditure of £1,109k, less gross income of £1,222k. Projects are expected to contribute £173k funding to Core Operations during 2019/20 as per the approved budget.

- 3.5 Income and expenditure will continue to be monitored for the remainder of the financial year and this projection will be kept under review. The next and final budget monitoring report for 2019/20 will be presented to the Executive Sub-Committee on 29 May 2020.
- 3.6 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.
- 3.7 There have been no budget adjustments since the last report.

REVENUE BUDGET MONITORING STATEMENT 2019/20
1 April 2019 to 3 January 2020

Description	Agreed Budget as at 8 November 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	2,243	3,173	(65)
Premises Related Costs	217	0	217	2	218	(1)
Supplies and Services	255	0	255	127	245	10
Support Costs	221	0	221	65	222	(1)
Supported Living/Care at Home	169	0	169	113	166	3
Transfer Payments	11	0	11	9	11	0
Transport Costs	35	0	35	11	25	10
Gross Expenditure	4,016	0	4,016	2,570	4,060	(44)
Requisition Income	(3,554)	0	(3,554)	(3,554)	(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)	(242)	(333)	178
Gross Income	(4,002)	0	(4,002)	(3,890)	(4,060)	58
Drawdown from Reserves	14	0	14	(1,320)	0	14

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	(14)
Closing Revenue Reserve at 31 March 2020	(246)

Project Summary				
Gross Expenditure	1,428	1,109	1,428	0
Gross Income	(1,601)	(1,222)	(1,601)	0
	(173)	(113)	(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