

Scotland Excel

To: Executive Sub Committee

On: 10 February 2017

**Report
by
Joint Report by the Treasurer and the Director**

Revenue Budget Monitoring Report to 6 January 2017

1. Summary

- 1.1 Gross expenditure is £12,000 over budget and income is currently £72,000 over recovered which results in a net underspend of £60,000 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 £60,000 |
| | <i>Previously Reported</i> | <i>Net Underspend £46,000</i> |

The variance is due to an underspend in Administration Costs and Supplies and Services and over recovery of Other Income, offset by an overspend in Employee Costs and Payment to Other Bodies.

The overspend in Employee Costs is due to a low turnover of staff, resulting in budget assumptions not being achieved.

The underspend within Supplies and Services relates to the IT budget. The Scotland Excel planned IT migration plan has, following discussion with Renfrewshire IT staff, been revised. As a result of changes planned by Renfrewshire to their infrastructure it would have been inappropriate to proceed on the basis that had been planned when, working in conjunction with Renfrewshire Council, there is the opportunity to be part of their migration to a cloud environment. The result of this will be an underspend in the IT budget in the current financial year of approximately £66,000. There will however be a requirement to draw down some of this sum from reserves in 2017 / 18 for non-budgeted costs due to the changes in the IT infrastructure.

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 Training Costs discussed above, unbudgeted Consultancy Income and additional full year Associate Member Fees from the Wheatley Group.

4.2 Projected Year End Position

The projected year end position shows a draw down from the general reserve of £119,137 which is £80,373 less than the approved draw down. The draw down from the National Care Home ring fenced reserve is £9,972.

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2016/17
 1st April 2016 to 6th January 2017

JOINT COMMITTEE : SCOTLAND EXCEL

Description	Agreed Annual Budget	Year to Date Budget	Year to Date Actual	Adjustments	Revised Actual	Budget Variance
(1)	(2)	(3)	(4)	(5)	(6) = (4+5)	(7)
£000's	£000's	£000's	£000's	£000's	£000's	%
Employee Costs	2,927	2,147	2,164	0	2,164	-0.8%
Property Costs	178	132	132	0	132	0.0%
Supplies & Services	211	79	57	0	57	27.8%
Contractors and Others	63	92	92	0	92	0.0%
Administration Costs	316	90	114	(43)	71	21.1%
Payments to Other Bodies	19	2	38	0	38	-1800.0%
GROSS EXPENDITURE	3,714	2,542	2,597	(43)	2,554	-0.5%
Contributions from Local Authorities	(3,484)	(3,484)	(3,484)	0	(3,484)	0.0%
Other Income	(30)	(162)	(313)	79	(234)	44.4%
INCOME	(3,514)	(3,646)	(3,797)	79	(3,718)	2.0%
TRANSFER (TO)/FROM RESERVES	200	(1,104)	(1,200)	36	(1,164)	5.4%

	Agreed Annual Budget	Year to Date Budget	Year to Date Actual	Adjustments	Revised Actual
CORE OPERATIONS EXPENDITURE	3,714	2,416	2,471	-43	2,428
NATIONAL CARE HOME EXPENDITURE	0	125	127	0	127
TOTAL GROSS EXPENDITURE	3,714	2,541	2,598	-43	2,555

	General Reserve	National Care Home Reserve	Total
	£000's	£000's	£000's
Opening Reserves	(465)	(18)	(483)
Budgeted Draw on Reserves	200		200
Projected Year End Overspend / (Underspend)	(80)	10	(70)
Anticipated Closing Reserves	(345)	(8)	(353)