

## **Scotland Excel**

**To: Executive Sub-Committee**

**On: 25 October 2019**

### **Report by:**

Joint Report by the Treasurer and the Director

### **Heading:**

Revenue Budget Monitoring Report to 13 September 2019

#### **1. Summary**

- 1.1 At the end of Period 6, Scotland Excel is projecting an overspend of £14k 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 13 September 2019, the year-to-date net expenditure for Core was £1,169k, comprising gross expenditure of £1,487k, less gross income of £318k.
- 3.2 The projection for the end of 2019/20 is an overspend for Core of £14k. This is comprised mainly of a projected overspend of £47k in Employee Costs owing to some staff backfill arrangements, offset by the additional £30k in income relating to Supported Living / Care at Home, as reported at Period 4. Scotland Excel will continue to work to reduce the projected £14k overspend to deliver to the agreed budget.
- 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 £276k, comprising gross expenditure of £558k, less gross income of £834k. 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 13 September 2019

Description	Agreed Budget as at 19 July 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	1,262	3,155	(47)
Premises Related Costs	217	0	217	0	217	0
Supplies and Services	255	0	255	87	251	4
Support Costs	221	0	221	63	222	(1)
Supported Living/Care at Home	169	0	169	64	169	0
Transfer Payments	11	0	11	6	11	0
Transport Costs	35	0	35	5	35	0
<b>Gross Expenditure</b>	<b>4,016</b>	<b>0</b>	<b>4,016</b>	<b>1,487</b>	<b>4,060</b>	<b>(44)</b>
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	0	(120)
Other Income	(155)	0	(155)	(318)	(305)	150
<b>Gross Income</b>	<b>(4,002)</b>	<b>0</b>	<b>(4,002)</b>	<b>(318)</b>	<b>(4,032)</b>	<b>30</b>
<b>Drawdown from Reserves</b>	<b>14</b>	<b>0</b>	<b>14</b>	<b>1,169</b>	<b>28</b>	<b>(14)</b>

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	(28)
<b>Closing Revenue Reserve at 31 March 2020</b>	<b>(260)</b>

Project Summary				
Gross Expenditure	1,428	558	1,428	0
Gross Income	(1,601)	(834)	(1,601)	0
	<b>(173)</b>	<b>(276)</b>	<b>(173)</b>	<b>0</b>

**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