

# Culture and Communities Committee

10.00am, Thursday, 7 December 2023

## Culture and Communities: Revenue Budget Monitoring 2023/24 – Month Five position

Executive/routine  
Wards

Routine  
All

### 1. Recommendations

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- 1.1 It is recommended that the Culture and Communities Committee notes:
  - 1.1.1 the forecast adverse outturn variance of £1.47m for the Culture and Wellbeing service and a favourable variance of £0.16m for the Parks and Greenspaces service, based on the five-month revenue budget monitoring position.
  - 1.1.2 Place Directorate is forecasting a pressure of £0.71m as at month five.
  - 1.1.3 the need for all existing pressures, savings delivery shortfalls and risks to be fully and proactively managed within Directorates.
  - 1.1.4 measures will continue to be progressed by Place Directorate to offset budget pressures and to fully deliver approved savings targets to achieve outturn expenditure and income in line with the approved budget for 2023/24.
  - 1.1.5 the ongoing risks to the achievement of a balanced budget projection for services within the remit of the Culture and Communities Committee.
  - 1.1.6 a further update will be provided to members of the Committee.

**Paul Lawrence**

**Executive Director of Place**

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## Culture and Wellbeing: Revenue Budget Monitoring 2023/24 – Month Five position

### 2. Executive Summary

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- 2.1 This report forecasts an adverse outturn variance of £1.47m for the Culture and Wellbeing service and a favourable variance of £0.16m for the Parks and Greenspaces service, based on the five-month revenue budget monitoring position.
- 2.2 Measures will continue to be progressed by Place Directorate to offset budget pressures and to fully deliver approved savings targets to achieve outturn expenditure and income in line with the approved revenue budget for 2023/24.
- 2.3 The projected Council-wide revenue budget position, based on month five, was reported to the Finance and Resources Committee on 21 November. At this stage, an overall underspend of £1.88m is being projected, including a forecast overspend of £0.71m for the Place Directorate.
- 2.4 There is potential for further risks to emerge, including inflationary uplifts and demand-led pressures, particularly in homelessness services. Given these factors, forecast adverse variances should be fully mitigated.

### 3. Background

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- 3.1 The Council's Financial Regulations require submission of quarterly monitoring reports on service financial performance to service committees and to Finance and Resources Committee.
- 3.2 This report provides an update on financial performance for services which are within the remit of the Culture and Communities Committee - Culture and Wellbeing services, Parks and Greenspaces and Scientific Services.

### 4. Main report

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- 4.1 Culture and Wellbeing service revenue budget for 2023/24 is £25.2m. Services provided include Cultural Partnerships and Strategy, Winter Festivals, Community Empowerment, Cultural Venues, Heritage, Museums, Libraries, Sport and Wellbeing.

- 4.2 An adverse variance of £1.47m is forecast for Culture and Wellbeing services due to the budget pressures noted at paragraphs 4.3 to 4.6.
- 4.3 The forecast variance includes £0.85m of Library service budget pressures. This is an adverse movement of £0.05m from the position reported to Culture and Wellbeing Committee on 5 October 2023. The movement follows further review of Libraries employee expenditure.
- 4.4 Winter Festivals – Festival advertising income of £0.05m has reduced the forecast shortfall against income target to £0.35m. Once confirmed, Winter Market rental income will be included against the target.
- 4.5 The Council continues to liaise with the Saltire Court landlord’s property agent seeking to mitigate additional property costs of £0.125m currently estimated for 2023/24.
- 4.6 Income recovery from the Summer Sessions is estimated to be £0.100m less than budget due to constraints on use of the Ross Bandstand. This is a favourable movement of £0.025m from the position reported to Culture and Wellbeing Committee on 5 October 2023.
- 4.7 Parks and Greenspaces revenue budget is £4.4m for 2023/24. The service forecast is for expenditure to be £0.16m less than budget, following mitigation of budget pressures.
- 4.8 Bereavement Services provided by Scientific Services are within the remit of Culture and Communities Committee. The service is forecasting outturn in line with budget.
- 4.9 The forecasts for Culture and Wellbeing, Parks and Greenspaces and Scientific Services are included in the Place Directorate budget pressure of £0.71m at month five.
- 4.10 The projected Council-wide General Fund budget position based on month five, was reported to the Finance and Resources Committee on 21 November in the report [Revenue Monitoring 2023/24 – Month Five position](#). A Council-wide underspend of £1.88m is being projected.
- 4.11 There is potential for further risks to emerge, including inflationary uplifts and demand-led pressures, particularly in homelessness services. Given these factors, forecast adverse variances should be fully mitigated.
- 4.12 All current and emerging risks will be subject to ongoing tracking, development of mitigating measures where required and review for the remainder of 2023/24.
- 4.13 The approved revenue budget for 2023/24 requires Culture and Wellbeing services to achieve incremental savings of £0.8m. These are detailed in Appendix 1 (b). It is anticipated that the ‘red’ assessed organisation review savings will be mitigated through vacancy savings in 2023/24.

## **5. Next Steps**

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- 5.1 Given the range of pressures outlined in this report and the Council-wide report, Executive Directors will be required to bring forward measures to offset residual service pressures and risks during 2023/24.
- 5.2 This month five report acutely emphasise the importance of proactive management of pressures and delivery of approved savings in maintaining the integrity of the budget framework. Given the extent of subsequent years' funding gaps, early action is required to deliver robust savings proposals, aligned to the priorities set out in the Council's business plan.

## **6. Financial impact**

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- 6.1 This report forecasts an adverse outturn variance of £1.47m for the Culture and Wellbeing service and a favourable variance of £0.16m for the Parks and Greenspaces service.
- 6.2 As of month five, an overall Council-wide underspend of £1.88m is forecast. This includes a projected overspend of £0.71m for services delivered by Place Directorate.
- 6.3 The Executive Director of Place and the Place Senior Management Team is committed to developing mitigating measures, in consultation with elected members where appropriate, with a view to achieving a balanced position by the year-end.

## **7. Equality and Poverty Impact**

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- 7.1 There are no equality, human rights (including children's rights) and socio-economic disadvantage implications arising as a consequence of this report.

## **8. Climate and Nature Emergency Implications**

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- 8.1 There are no Climate and Nature Emergency implications arising as a consequence of this report.

## **9. Risk, policy, compliance, governance and community impact**

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- 9.1 Whilst the report provides forecasts of outturn based on financial performance and conditions existing on 31 August 2023, there remains a risk that changing circumstances and events will result in further budget pressures.
- 9.2 All current and emerging risks will be subject to ongoing tracking, development of mitigation measures and review for the remainder of 2023/24.

- 9.3 Financial performance will be tracked by Place Directorate Senior Management Team and service management teams to identify and mitigate emerging financial risks.
- 9.4 There are no health and safety, governance, compliance or regulatory implications arising from this report.

## **10. Background reading/external references**

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- 10.1 [Culture and Communities: Revenue Budget Monitoring 2023/24 – Month Three position](#), Culture and Wellbeing Committee, 7 October 2023
- 10.2 [Revenue Monitoring 2023/24 - Month Five position](#), Finance and Resources Committee, 21 November 2023

## **11. Appendices**

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- 11.1 Appendix 1 (a) – Culture and Communities Committee: Revenue Budget Monitoring 2023/24 - Month Five position
- 11.2 Appendix 1 (b) – Culture and Communities Committee: Approved Revenue Budget Savings 2023/24

## Appendix 1 (a) Forecast Revenue Outturn by Service

Service	Revised Budget	Projected Outturn	Projected Variance	Adverse / Favourable
	£'000	£'000	£'000	
<b>Culture and Wellbeing</b>				
Cultural Partnerships and Strategy	6,455	6,933	478	Adv
Community Empowerment	856	856	0	-
Heritage, Cultural Venues and Museums	2,262	2,362	100	Adv
Libraries, Sport and Wellbeing	15,387	16,237	850	Adv
Directorate and service-wide costs.	267	307	40	Adv
<b>Total – Culture and Wellbeing</b>	<b>25,227</b>	<b>26,695</b>	<b>1,468</b>	<b>Adv</b>
<b>Parks and Greenspaces</b>	<b>4,366</b>	<b>4,210</b>	<b>(156)</b>	<b>Fav</b>

## Appendix 1 (b) Approved Revenue Budget Savings 2023/24

Service	Saving Description	2023/24 £'000	Red/Amber/Green/Black assessment
Cultural Partnerships and Strategy	Non-core cultural grants	250	Green
Cultural Partnerships and Strategy	Public Safety and Resilience Organisational Review	40	Amber
		200	Red
Community Empowerment	Lifelong Learning Organisational Review	170	Green
Heritage, Cultural Venues and Museums	Fees and Charges uplift	78	Amber
Service Wide	Fees and Charges uplift	58	Amber
	<b>TOTAL</b>	<b>796</b>	

SUMMARY	£'000	%
Green assessed	420	53
Amber assessed	176	22
Red assessed	200	25
Black Assessed	-	-
<b>TOTAL</b>	<b>796</b>	<b>100</b>