

# Culture and Communities Committee

10.00am, Thursday, 5 December 2024

## Culture and Communities: Revenue Budget Monitoring 2024/25 – 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 overspends of £0.455m for Culture and Wellbeing services, £0.058m for Parks and Greenspaces and £0.180m for Bereavement Services, based on expenditure and income at 31 August 2024;
  - 1.1.2 The need for all existing pressures, savings delivery shortfalls and risks to be fully and proactively managed within Directorates;
  - 1.1.3 The ongoing requirement to develop plans for full mitigation of Directorate overspends, both in-year and on a sustainable basis; and
  - 1.1.4 The ongoing risks to the achievement of a balanced budget for services within the remit of the Culture and Communities Committee.

**Gareth Barwell**

Interim Executive Director of Place

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## Culture and Communities: Revenue Budget Monitoring 2024/25 – Month Five position

### 2. Executive Summary

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- 2.1 This report forecasts overspends of £0.455m for Culture and Wellbeing services, £0.058m for Parks and Greenspaces and £0.180m for Bereavement Services, based on expenditure and income at 31 August 2024.
- 2.2 The forecast Council-wide revenue budget position, based on expenditure and income for the first five months of 2024/25, was reported to Finance and Resources Committee on 19 November 2024. A Council-wide overspend of £12.796m is projected.
- 2.3 Given the Council-wide position, forecast overspends require to 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. Where financial reporting indicates that an overspend or shortfall on budgeted income is forecast, the relevant service manager should take immediate and appropriate action to prevent a budget overspend.
- 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 Bereavement Services.

### 4. Main report

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#### Culture and Wellbeing services

- 4.1 The Culture and Wellbeing service revenue budget for 2024/25 is £26.8m. Services provided include Cultural Partnerships and Strategy (including Winter Festivals), Community Engagement and Empowerment, Cultural Venues, Heritage, Museums, Libraries, Sport and Wellbeing.

- 4.2 Based on financial performance to the end of August 2024, an overspend of £0.455m is forecast for Culture and Wellbeing services.
- 4.3 The forecast overspend includes £0.420m for the Libraries service. This reflects savings targets approved by Council in previous years, including reduced opening hours, which were not implemented post-Pandemic. The Future Libraries review continues to be progressed.
- 4.4 An overspend of £0.125m is forecast for Heritage, Cultural Venues and Museums services. Forecasts have been updated to reflect service provision agreed by Council on 7 November 2024. The forecast includes costs of £0.326m for museums staffing, conservation costs of £0.018m and a shortfall against income targets at the Scott Monument of £0.082m. These overspends are partially offset by a net increase in income of £0.301m for Cultural Venues.

### **Parks and Greenspaces**

- 4.5 Parks and Greenspaces revenue budget is £5.873m. The service is managing a budget pressure of £0.058m for agency/seasonal staff, which is forecast to be fully addressed by the end of 2024/25.

### **Bereavement Services**

- 4.6 Bereavement Services are forecasting expenditure to be greater than budget by £0.180m, mainly due to additional employee costs.
- 4.7 The Place Senior Leadership Team is committed to developing further mitigating measures, in consultation with elected members where appropriate, to reduce the extent of the overspend by the year-end. A further update will be reported to Culture and Communities Committee on 27 February 2025.
- 4.8 All current and emerging risks will be subject to ongoing tracking, development of mitigating measures where required and review for the remainder of 2024/25.

## **5. Next Steps**

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- 5.1 Given the range of pressures outlined in this report and the Council-wide position, the Place Directorate Senior Management Team will continue to develop mitigating measures to reduce the extent of the overspend. A further update will be reported to Culture and Communities Committee on 27 February 2025.

## **6. Financial impact**

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- 6.1 The Council's approved budget for 2024/25 is underpinned by a requirement for relevant Service Directors and Senior Managers to develop and implement detailed plans to fully mitigate known and emerging budget pressures.
- 6.2 In the [revenue monitoring](#) month five report to Finance and Resources Committee on 19 November 2024, an overspend of £12.796m is forecast for the City of Edinburgh Council for 2024/25. This is a reduction of 13.845m since the month Culture and Communities Committee – 5 December 2024

three forecast. A significant element of the favourable net movement is attributable to a range of one-off measures in service or corporate budgets.

- 6.3 Given the in-year pressures and limited available corporate mitigations, urgent action requires to be taken to reduce frontline service expenditure if the Council's financial stability is not to be compromised.
- 6.4 The forecasts overspends of £0.455m for Culture and Wellbeing services, £0.058m for Parks and Greenspaces and £0.180m for Bereavement Services are included within the Council-wide overspend of £12.796m.
- 6.5 The Interim Executive Director of Place and the Place Senior Leadership Team is committed to developing mitigating measures in consultation with elected members where appropriate, with a view to achieving a balanced and sustainable budget.

## **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 2024, 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 2024/25.
- 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 2024/25 – Month Three position](#), Culture and Communities Committee, 3 October 2024
- 10.2 [Revenue Monitoring 2024/25 - month five report](#), Finance and Resources Committee, 19 November 2024

- 10.3 [Mitigating Museums and Galleries Budget Pressures 2024/25 - Referral from the Culture and Communities Committee](#), City of Edinburgh Council, 7 November 2024

## **11. Appendices**

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- 11.1 Appendix 1 – Culture and Communities Committee: Revenue Budget Monitoring 2024/25 - Month Five position

## Appendix 1 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	6,659	6,569	(90)	Fav
Community Empowerment	979	979	0	-
Heritage, Cultural Venues and Museums	2,571	2,696	125	Adv
Libraries, Sport and Wellbeing	15,979	16,399	420	Adv
Directorate and service-wide costs.	652	652	0	Adv
<b>Total – Culture and Wellbeing</b>	<b>26,840</b>	<b>27,295</b>	<b>455</b>	<b>Adv</b>
<b>Parks and Greenspaces</b>	<b>5,873</b>	<b>5,931</b>	<b>58</b>	<b>Adv</b>
<b>Bereavement Services</b>	<b>1,329</b>	<b>1,509</b>	<b>180</b>	<b>Adv</b>