

Current Profile

Appendix 4

Riverside Inverclyde
Funding Profile
2006/7 → 2017/18

<u>Year</u>	<u>Revenue £000</u>	<u>Capital £000</u>	<u>Asset Transfers £000</u>	<u>Major Projects £000</u>	<u>Total £000</u>
To 31/03/08	1,772	700	1,878	-	4,350
2008/9	1,840	85	1,112	-	3,037
2009/10	1,513	-	-	200	1,713
2010/11	2,100	-	-	-	2,100
2011/12	2,100	-	-	-	2,100
2012/13	1,900	-	-	-	1,900
2013/14	1,600	-	-	500	2,100
2014/15	1,500	-	-	2,100	3,600
2015/16	1,300	-	-	-	1,300
2016/17	1,300	-	-	-	1,300
2017/18	500	-	-	-	500
	17,425	785	2,990	2,800	24,000

Regeneration Projects consists of £2.1 million Gourock Redevelopment, £0.5 million Port Glasgow Town Centre and £0.2 million Area Renewal Fund. In addition to the £24 million the Council will provide an additional £3.1 million towards the two major projects at Gourock (£2.6 million) and Port Glasgow Town Centre (£0.5 million) over 2012/15.

AP/LA
10/05/2013

School Estate - Earmarked Reserves

Appendix 5

	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Earmarked Reserve b/fwd	1,609	2,796	2,479	2,435	2,178	2,242	2,294	2,238	2,143	2,183	2,167	1,834	1,473	1,701	1,965	2,174	2,397	2,596
Available Savings added (a)	4,167	4,417	4,654	4,752	4,752	4,752	4,752	4,752	4,752	4,752	4,752	4,752	4,817	4,817	4,817	4,817	4,817	4,817
Extra Financing (b)	3,310	3,210	3,260	3,260	3,260	3,260	3,260	3,260	3,260	3,260	3,260	3,260	3,260	3,260	3,260	3,260	3,260	3,260
Prudential Schools Loan Charges (c)	-2,586	-3,589	-4,416	-4,516	-4,523	-4,530	-4,537	-4,546	-4,563	-4,573	-4,583	-4,593	-4,603	-4,613	-4,623	-4,633	-4,643	-4,653
Unitary Charge Payment (d)	-8,768	-8,942	-8,942	-8,942	-8,942	-8,942	-8,942	-8,942	-8,942	-8,942	-8,942	-8,942	-8,942	-8,942	-8,942	-8,942	-8,942	-8,942
Unitary Charge Inflation Element (e)	-238	-445	-705	-976	-1,258	-1,550	-1,855	-2,172	-2,501	-2,844	-3,200	-3,571	-3,956	-4,357	-4,774	-5,207	-5,658	-6,127
Unitary Charge Funding from Inflation Contingency	238	445	705	976	1,258	1,550	1,855	2,172	2,501	2,844	3,200	3,571	3,956	4,357	4,774	5,207	5,658	6,127
One Off Costs (f)	-558	-1,143	-466	-644	-308	-305	-397	-419	-258	-295	-592	-601	-57	0	-35	0	0	0
Extra Revenue Repairs (g)	-474	-366	-230	-263	-271	-279	-288	-296	-305	-314	-324	-333	-343	-354	-364	-375	-389	-401
Unitary Charge RSG	6,096	6,096	6,096	6,096	6,096	6,096	6,096	6,096	6,096	6,096	6,096	6,096	6,096	6,096	6,096	6,096	6,096	6,096
Written Back to General Reserves	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Earmarked Reserve c/fwd	2,796	2,479	2,435	2,178	2,242	2,294	2,238	2,143	2,183	2,167	1,834	1,473	1,701	1,965	2,174	2,397	2,596	2,773

(a) Per figures 11/12 Budget - includes additional Clydeview savings and Port Glasgow Denominational PS remaining open. Full review of Janitors and Cleaning savings for new rates included. Reduced by £30k in 12/13 for PPP School Refuse Collection.

(b) Per 2008/9 budget and £1 million for Shared Campus approved Feb 2009 plus £160k for St Laurences refurbishment and compensating loan charges for receipts transferred to the Capital Fund. Saving of £190k from 2014/15.

(c) Assumes Inverclyde Academy, Newark Primary, Shared Campus and St Laurences refurbishment are Prudentially funded. Uses a pool fund rate of 4.5% from 2011/12.

(d) Based on Actual Unitary Charge at Jan 2011 RPI of £8.842 million plus £200k contingency 2012/13 then £100k contingency from 2013/14.

(e) Base at Jan 2013 RPI. Assumes 2.7% annual inflation (4% RPI discounted by factor of 1.5)

(f) After 2026/27 one-off costs cease. Includes £27k for IT Technician in 2013/14 only.

(g) Increased Revenue Repairs. £500k added for Primary School Repairs - £250k in 2012/13 and £250k in 2013/14.

Finance Strategy
Leisure Strategy

Leisure Strategy - Financial Implications

	2009/10 £'000	2010/11 £'000	2011/12 £'000	2012/13 £'000	2013/14 £'000	2014/15 £'000	Total £'000
Capital							
Ravenscraig Stadium	104	28	1,357	270	53	0	1,812
Parklea Pavilion & Stadium	278	1,220	3,239	412	70	38	5,257
Rankin Park Sports Centre	110	158	94	227	949	200	1,738
Nelson St Sports Centre Refurbishment	0	0	42	490	51	22	605
South West Library Refurbishment	0	0	138	170	6	0	314
Contribution to New Community Facility (Broomhill)	0	0	0	0	50	650	700
Gourock Park Amphitheatre & DDA Works	217	99	3	4	0	0	323
Broomhill/George Road Pitches	960	50	2	0	0	0	1,012
Broomhill Park	0	187	10	2	0	0	199
Gourock Swimming Pool	37	137	1,070	728	132	0	2,104
Birkmyre Drainage	0	0	0	13	1	0	14
Contribution to Battery Park Pitch Replacement	0	0	0	68	0	0	68
Indoor Bowling Refurbishment	0	0	142	10	0	0	152
Waterfront Ice Rink	0	0	0	0	300	0	300
Unallocated Balance	0	0	0	0	0	186	186
Total	1,706	1,879	6,097	2,394	1,612	1,096	14,784

Notes

- a Allowance in overall Finance Strategy for up to £200k of increased revenue costs from 2012/13.
 b Leisure Strategy partly funded by Sports Scotland Grant of £1m (£0.5m 2011/12, £0.482m 2012/13, £0.018m 2013/14) and a further £0.2m in 13/14 allocated for the Waterfront Ice Rink
 c Waterfront Ice Rink total cost £0.4m with balance funded from Property Services annual capital allocation.

Finance Strategy
General Fund "Free" Reserves
2012/16 Balance Projection

	<u>2012/13</u> <u>£000</u>	<u>2013/14</u> <u>£000</u>	<u>2014/15</u> <u>£000</u>	<u>2015/16</u> <u>£000</u>
1/ Starting Balance	10,821	20,610	15,468	8,527
2/ Budgeted Contribution to Reserves (Note 1)	4,553	4,377	1,477	0
3/ Contribution to Reserves 2012/16 (Note 2)	634	2,251	250	100
4/ Planned Use of Reserves (Note 3)	(2,312)	(11,770)	(8,668)	(3,192)
5/ Write Back to Reserves (Note 4)	4,127	0	0	0
6/ Projected Surplus (Deficit) (Note 5)	2,787	0	0	0
	<u>20,610</u>	<u>15,468</u>	<u>8,527</u>	<u>5,435</u>

RSG/NDR/Council Tax will be £200 million from 2013/14. Recommended minimum level of reserves is 2% / £4.0 million.

Notes:

- 1/ 2013/14 Figure is based on surplus reported as part of 2013/16 Budget.
- 2/ 2012/13 Figure reflects one off receipt in respect of Council's share of Police Reserves.

2013/16 Figures represent decisions taken as part of the 2013/16 Budget process as detailed below:

	<u>2012/13</u> <u>£000</u>	<u>2013/14</u> <u>£000</u>	<u>2014/15</u> <u>£000</u>	<u>2015/16</u> <u>£000</u>
Reduce 2013/16 Capital Contribution	0	450	0	0
Write back Capital Fund	0	1,000	0	0
Extra Capital Grant 2012/14	0	146	0	0
Increase Capital Programme to 1.5% Limit	0	355	0	0
RAMP Funding 2013/14 - £300k	0	300	250	100
	<u>0</u>	<u>2,251</u>	<u>250</u>	<u>100</u>

- 3/ Represents decisions taken as part of the 2012/13 and 2013/16 Budget and based on latest phasings.

<u>Approved Use of Reserves</u>	<u>2012/13</u> <u>£000</u>	<u>2013/14</u> <u>£000</u>	<u>2014/15</u> <u>£000</u>	<u>2015/16</u> <u>£000</u>
2012/13 Budget- £12.45m	(2,312)	(7,308)	(2,813)	(17)
November 2012 - £3.5m	0	(2,480)	(775)	(245)
2013/16 Budget £9.992m	0	(1,982)	(5,080)	(2,930)
	<u>(2,312)</u>	<u>(11,770)</u>	<u>(8,668)</u>	<u>(3,192)</u>

- 4/ Relates to former Landfill Tax Penalty reserve. Government has confirmed that they will not be imposing penalties.
- 5/ Figure reflects projected surplus reported to Policy & Resources Committee May 2013.

Finance Strategy
Use of Reserves Workings

	2012/13 £'000	2013/14 £'000	2014/15 £'000	2015/16 £'000	Total £'000
<u>Approved February 2012:</u>					
Youth Employment Support	262	438	350	0	1,050
Business Support Initiative	250	350	0	0	600
Local Environment Improvement Fund	82	118	0	0	200
Greenock Town Centre	250	0	0	0	250
Greenock Town Centre Parking Strategy	0	200	100	0	300
Port Glasgow Town Centre Refresh to Town Hall	0	170	63	17	250
Birkmyre Park, Port Glasgow	0	200	0	0	200
Play Area Programme/Upgrade of Battery Park Skate Park	0	300	0	0	300
Inverkip Community Facility	0	0	300	0	300
Complete Funding Package for Watt Complex Refurbishment	0	0	1,000	0	1,000
Investment Fund for Council Owned Bowling Clubs	50	150	0	0	200
Whinhill Golf Club	18	182	0	0	200
General Support for 2012/15 Capital Programme	0	3,000	0	0	3,000
Additional Flooding Works Investment 2012/14	0	0	1,000	0	1,000
Additional Roads/Footways & Street Lighting Investment 2012/14	1,400	2,200	0	0	3,600
	2,312	7,308	2,813	17	12,450
<u>November 2012:</u>					
Adoption Earmarked Reserve	0	150	150	0	300
2013/16 Revenue Contingency	0	200	200	200	600
Contribution to 2013/16 Capital Programme	0	2,000	0	0	2,000
Increased costs Inverkip Community Facility	0	0	250	0	250
Increased Officer Capacity - Corporate Projects	0	130	175	45	350
	0	2,480	775	245	3,500
<u>February 2013:</u>					
Roads Asset Management Plan (2013/16)	0	1,100	2,400	2,400	5,900
Repopulating/Promoting Inverclyde	0	200	400	400	1,000
Community Facilities - Capital Investment	0	200	550	0	750
Community Grants	0	52	0	0	52
Play Areas/MUGA's	0	0	300	0	300
Blaes Football Park Replacement	0	0	830	0	830
Employment Support	0	100	100	130	330
Broomhill Area	0	0	250	0	250
PG Town Centre	0	0	250	0	250
Creative Scotland - Match Funding	0	250	0	0	250
Greenock Town Centre - Extra Police	0	80	0	0	80
	0	1,982	5,080	2,930	9,992
Overall Totals	2,312	11,770	8,668	3,192	25,942

Finance Strategy
Capital Fund

Appendix 8

	2012/13 £'000	2013/14 £'000	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000
Balance B/fwd	(1,733)	(1,742)	(561)	(194)	(375)	(3,399)	(3,227)	(3,052)
a Additions (Estimate)	0	(210)	(270)	(1,819)	(4,656)	0	0	0
b Interest (Estimate)	(9)	(9)	(3)	(2)	(8)	(68)	(65)	(61)
c Principal Repayments	0	400	640	640	640	240 c	240	240
d Other Payments	0	1,000	0	1,000	1,000	0	0	0
Balance at Year End	(1,742)	(561)	(194)	(375)	(3,399)	(3,227)	(3,052)	(2,873)

Notes

a Estimated Receipts:

- 2013/14 AMP Receipt, £0.11m, Newark House & William St SEMP, £0.1m, Mearns Centre, t'fer of funds from Communities Facilities budget
- 2014/15 Kempock, £0.2m, Wateryetts Drive, Kilmacollm, £0.07m
- 2015/16 SEMP Receipts, £1.529m, includes Barmoss Nursery, Ravenscraig, Kings Glen, Llybank & St Gabriels Primaries
- 2016/17 AMP receipts £0.29m, Strone Office & Wellington Academy
- SEMP Receipts, £3.875m, St Stephens. Greenock Academy, Highlanders
- AMP receipts £0.05m, Dalrymple House

Recovery of Scottish Enterprise Clawback, £0.731m

£400k per Depot AMP from 2013/14, £240k SEMP from 2014/15

From 2017/18 it was agreed that the £400k for Depot would be met from Riverside Inverclyde funding.

d Other Payments:

2013/14 £1.0m payment to fund Loan Charges, subsequent saving in Loan Charges will help fund the RAMP.

2015/17 £2.0m payment to fund Loan Charges, subsequent saving in Loan Charges will fund Voluntary Severence Trawl Earmarked Reserve.

Appendix 9

**Finance Strategy
Repairs & Renewals Fund**

	2012/13 £'000	2013/14 £'000	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000
Balance B/fwd	(626)	(891)	(842)	(795)	(751)	(714)
Additions:						
Inverkip Footbridge	(300)					
Maintenance Payments:						
Greenock Cut	4	14	14	14	14	14
Gallaghers/Port Glasgow Development	36	36	36	36	36	36
Inverkip Footbridge	0	4	2	2	2	6
Interest						
Greenock Cut	(2)	(2)	(2)	(3)	(5)	(5)
Gallaghers/Port Glasgow Development	(2)	(1)	(1)	(2)	(4)	(3)
Inverkip Footbridge	(1)	(2)	(2)	(3)	(6)	(6)
Balance:						
Greenock Cut	(309)	(297)	(285)	(274)	(265)	(256)
Gallaghers/Port Glasgow Development	(281)	(246)	(211)	(177)	(145)	(112)
Inverkip Footbridge	(301)	(299)	(299)	(300)	(304)	(304)
Balance at Year End	(891)	(842)	(795)	(751)	(714)	(672)

a It is intended from the following Finance Strategy to add in a line for Leisure Strategy Repairs & Renewals

Notes

Finance Strategy
Asset Management Plan - Offices

	2012/13 £000's	2013/14 £000's	2014/15 £000's	2015/16 £000's	2016/17 £000's	2017/18 £000's
Earmarked Reserve Offices	1,330	483	494	707	775	900
Earmarked Reserve b/fwd	770	665	565	565	565	565
Additional Funding (Note d)	(1,192)	(203)	159	272	276	336
Available Savings/(Cost) Added (Note a)	(152)	(204)	(436)	(694)	(716)	(719)
Loan Charges (Note b)	(273)	(247)	(75)	(75)	0	0
Further One Off Costs (Note c)	(847)	11	213	68	125	182
Net Saving/(cost) for year	483	494	707	775	900	1,082
Earmarked Reserve c/fwd						

Notes

- a Net Revenue Savings & Costs Excluding Loan Charges. Reflects £1 million written back to reserves in 2012/13.
- b Assumes an interest rate of 4.6%
- c Further One Off costs relate to the temporary appointment of an Asset Manager as well as costs for various decants, demolitions and rental of storage area.
- d Additional funding consists of original funding allocation of £1m adjusted for:
£200k Workstream Saving from 2011/12
£30k Topslite saving from 2012/13
£60k Workstream Saving from 2013/14
£45k BPRA scheme saving from 2013/14
£100k Workstream Saving from 2014/15
- e Model reflects alterations as detailed in report to Environment & Regeneration Committee, 25th October 2012.

Finance Strategy
Asset Management Plan - Depots

	2012/13 £000's	2013/14 £000's	2014/15 £000's	2015/16 £000's	2016/17 £000's	2017/18 £000's
Earmarked Reserve Offices						
Earmarked Reserve b/fwd	310	682	1,426	1,896	1,938	1,915
Additional Funding (Note d)	500	900	900	900	900	900
Available Savings/(Cost) Added (Note a)	0	124	124	124	124	124
Loan Charges (Note b)	(64)	(211)	(504)	(982)	(1,047)	(1,047)
Further One Off Costs (Note c)	(64)	(69)	(50)	0	0	0
Net Saving/(cost) for year	372	744	470	42	(23)	(23)
Earmarked Reserve c/fwd	682	1,426	1,896	1,938	1,915	1,892

Notes

- a Net Revenue Savings & Costs Excluding Loan Charges
- b Assumes an interest rate of 4.6%
- c Further One Off costs relate to the temporary appointment of an Asset Manager
- d Additional funding made up of:
- | | | |
|--------------------------------------|-------|--|
| Contribution from Zero Waste Fund | £200k | From 2010/11 |
| Contribution from Revenue Budget | £300k | From 2012/13, original £500k allocation reduced by £200k Workstream Saving |
| Contribution from Capital Fund | £400k | From 2013/14 to 2016/17 |
| Additional Contribution from Revenue | £400k | From 2017/18, diversion of Riverside Inverclyde budget |

Finance Strategy
Vehicle Replacement Programme

Appendix 11

	2012/13 £000's	2013/14 £000's	2014/15 £000's	2015/16 £000's	2016/17 £000's	2017/18 £000's	2018/19 £000's	2019/20 £000's	2020/21 £000's	2021/22 £000's
Earmarked Reserve										
Earmarked Reserve b/fwd	0	223	341	428	462	457	423	436	427	417
<u>Capital Requirements:</u>										
Vehicle Purchases	308	171	1,198	2,840	352	1,601	277	1,225	2,940	244
Residual Value	(117)	(221)	(220)	(746)	(83)	(316)	(55)	(319)	(756)	(63)
Net Capital Requirement	191	(50)	978	2,094	269	1,285	222	906	2,184	181
Loan Charges	921	957	962	1,015	1,054	1,083	1,036	1,058	1,059	1,027
Additional Revenue Costs, Tracking System		30	30	30	30	30	30	30	30	30
Loan Charges Funding Available	1,144	1,105	1,079	1,079	1,079	1,079	1,079	1,079	1,079	1,079
Annual Funding Surplus/(Shortfall)	223	118	87	34	(5)	(34)	13	(9)	(10)	22
Earmarked Reserve c/fwd	223	341	428	462	457	423	436	427	417	439

It should be noted that the model:

- a Takes into account reductions in the fleet due to BSU restructuring and the loss of the RCH Grounds contract.
- b Reflects reductions in fleet as a result of savings agreed February 2013 as well as a reduction in Loan Charges funding Available.
- c Excludes Food Waste Vehicles, due for replacement in 2017/18. If the food Waste programme is to continue beyond 2017/18 any replacement costs will be met from Service Revenue budgets.
- d Excludes Low Carbon Vehicles, due for replacement 2016/17. The purchase of these vehicles was heavily subsidised by Government Grants which may not be available in future years. If a decision is made to replace these vehicles any replacement costs will be met from available grants and Service Revenue budgets.