

WEST DUNBARTONSHIRE COUNCIL

Report by the Executive Director of Educational Services

Education & Lifelong Learning Committee: 15 December 2010

Subject: 2010-11 Revenue Estimates – Budgetary Control Report for the Period 7 (1 April 2010 to 31 October 2010)

1. Purpose

- 1.1 This report provides Members with the latest information on expenditure and income to date within the Educational Services approved budget for 2010-11.

2. Background

- 2.1 The 2010-11 budgetary control reporting timetable requires that a budgetary control report for Educational Services be presented to this meeting. Reports submitted to the Education & Lifelong Learning Committee reflect the latest financial period for which information is available. This report covers the period from 1st April to 31st October 2010.
- 2.2 This budget monitoring report compares budgeted with actual income and expenditure to date.

3. Main Issues

- 3.1 There is an overall adverse variance of £39,320, which equates to 0.07% of the budget to date.
- 3.2 The attached appendices provide the following information for the period 7 from 1 April 2010 to 31 October 2010:
- (a) Total expenditure and income against budget, by type of expenditure (e.g. Employee Costs) and service area (e.g. Schools – Primary) are shown in **Appendices A, B and C**,
 - (b) Explanatory comments on variances in excess of £25,000 are provided in **Appendix D**.
- 3.3 The most significant variances by **service area** are as follows:

Primary Schools - £96,079 Adverse

Teacher Salaries are greater than budgeted due to cover requirements and increments for non teachers are higher than anticipated. The employee costs are partially offset by vacancies currently held in non teaching posts. Contract Cleaning recharges are higher than anticipated these are partially offset by an anticipated underspend on janitorial recharges from HEED.

Secondary Schools - £384,212 Favourable

The main variances in Secondary Schools are due to lower than anticipated recharges in relation to catering of £116k, lower than anticipated costs in relation to rates of £83k, heating oil of £81k and gas usage of £72k. Employee Costs are lower than anticipated by £109k. The balance is made up from other minor variances within the budget.

Special Schools - £250,519 Adverse

The main contributing factors to the overspend in Special Schools are the requirement for List G residential and day care placements are higher than anticipated and the income expected from other Local Authorities for placements within WDC is lower than budgeted. In addition, employee costs are greater than expected.

Community Learning & Development - £81,123 Favourable

The main variances are in relation to current level of vacancies, an under spend in rates and a grant carried forward from 2009/10.

Pre 5 - £160,638 Adverse

The main factor is that budgeted income is not being achieved due to a lower than anticipated number of users within nurseries and out of school care mainly over the holiday period. In addition Salaries are greater than budgeted.

PPP - £45,751 Adverse

The main overspend is in relation to the unitary charge payment to BAM. The over spend is due to unbudgeted janitorial costs outwith the contract cost. This is partly offset by savings on Grounds Maintenance.

4. People Implications

4.1 There are no personnel issues.

5. Financial Implications

5.1 The overall adverse variance as reported, suggests that net expenditure is not going to be contained within budget.

5.2 However, management action where possible will continue to be taken to ensure spend is in line with the approved budget.

6. Risk Analysis

6.1 The process of monitoring the revenue budget allows potential adverse variances to be identified at the earliest possible stage and management action taken. This minimises any financial risk.

7. Equalities Impact

7.1 No significant issues were identified in a screening for potential equality impact of this report.

8. Conclusions and Recommendations

8.1 The report has compared year to date expenditure and income with the approved budget to date, for Educational Services.

8.2 As stated at 3.1, there is an overall adverse variance of £39,320 or 0.07% of the budget to date.

8.3 Members are asked to note the contents of this report.

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Appendices:

Appendix A Total expenditure and income against budget, by type of expenditure

Appendix B Total expenditure and income against budget, by service area

Appendix C Breakdown of expenditure and income against budget outturn, by service area

Appendix D Explanatory comments on variances in excess of £25,000

Background papers: None

Wards affected: All Wards