

# WEST DUNBARTONSHIRE COUNCIL

## Report by the Executive Director of Educational Services

### Education & Lifelong Learning Committee: 11 November 2009

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**Subject: 2009- 10 Revenue Estimates – Budgetary Control Report for the Period 1 April 2009 to 15 September 2009**

#### **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 2009-10.

#### **2. Background**

- 2.1** The 2009-10 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 1<sup>st</sup> April to 15<sup>th</sup> September 2009.
- 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 £165,789 or 0.43% of the budget to date.
- 3.2** The attached appendices provide the following information for the period 1 April 2009 to 15 September 2009:
- (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 - £58,252 Adverse

An adverse variance in Property Costs of £58,077 is mainly attributable to electricity costs being greater than budgeted in the current year and paying for prior periods in the current year.

#### Special Sector - £113,111 Adverse

This is mainly attributable to the following:

- An overspend in Payments to Other Bodies of £116,045 due to the following factors:
  - Some of the residential schools where we have children placed have applied an above inflation price increase in 2009/10. This is in excess of budgetary provision for inflation.
  - The number of clients who require to be placed in secure accommodation is currently greater than anticipated in the budget. We normally budget for an average of 1.5FTE such placements at any time during the year, and we currently have 4 such placements.
  - It is hoped that such placements in residential schools are not long term. However, the movement of young people out of these placements is not within the control of the Council, as the young people in question are generally there as a result of placement orders, and as such any further placements require to be agreed by the Children's Panel.
  - Increased number of placements made within other local authority establishments to meet the specific needs of children with learning/physical difficulties.

#### Community Learning and Development - £34,134 Favourable

This is mainly attributable to a favourable variance of in Employee Costs of £30,259 due to having a number of vacancies prior to filling the posts following a Management Restructure.

#### Miscellaneous Services - £48,019 Adverse

An adverse variance in Income of £38,816 is due to Grants being less than anticipated.

#### **4. Personnel Issues**

**4.1** There are no personnel issues.

#### **5. Financial Implications**

**5.1** The overall adverse variance as reported, suggests that net expenditure is going to exceed budget.

**5.2** However, management action where possible will be taken to help reduce this projected overspend. The aim will be 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. Conclusions**

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

**7.2** As stated at 3.1, there is an overall adverse variance of £165,789 or 0.43% of the budget to date.

#### **8. Recommendation**

**8.1** 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, by service area

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

**Background papers:** None

**Wards affected:** All Wards