

WEST DUNBARTONSHIRE COUNCIL

Report by Executive Director of Educational Services

Educational Services Committee: 7 November 2012

Subject: Educational Services Budgetary Position 2012/13 as at Period 6 year to 30 September 2012

1. Purpose

- 1.1** The purpose of this report is to advise Members of the financial performance of the departmental revenue and capital budgets for the period to 30th September 2012.

2. Recommendations

- 2.1** There is an overall adverse variance within revenue shown at period 6 of £55,244
- 2.2** There is an overall adverse variance within capital shown at period 6 of £940.
- 2.3** Members are asked to consider and note the contents of this report.

3. Background

- 3.1** At a meeting of West Dunbartonshire Council on 26 January 2012, Members agreed the revenue estimates for 2012/2013. At that time, a total net budget of £89.435m was approved for Educational Service Department.
- 3.2** Since that date, the following adjustments have been made, revising the overall revenue budget to £88.479m.

	£m
Original budget	89.434
Committee Timetable Savings	0.055
Virement to Other Services	-0.055
Reduction due to recurring variances	<u>-0.955</u>
Revised budget	<u>88.479</u>

- 3.3** At a meeting of West Dunbartonshire Council on 20 June 2012, Members agreed the capital estimates for 2012/2013. At that time, a total net budget of £17.439m was approved for Educational Services department.

4. Main Issues

Revenue Budget

- 4.1** The current departmental budgetary position is summarised in Appendix 1, with a more detailed analysis by service in Appendix 2.

- 4.2 The overall variance for the service to period 6 is £55,244 adverse to this committee (period 3, period 5 was £28,788 adverse). The main variances and any significant changes since the previous report are noted below. Where there is a difference due to variances increasing as expected these will not be commented on.
- 4.3 Primary Schools are highlighting an adverse variance of £2,268. This includes an adverse variance of £29,660 for Non-Domestic Rates, which were higher than anticipated due to revaluations of the properties. This adverse variance is compensated for by a favourable variance in relation to income received for school lets and a favourable variance in staff costs. The swing of £108,110 is mainly in relation to the recurring variance exercise which was undertaken recently whereby budget was transferred to the contingency fund.
- 4.4 Secondary Schools are showing a significant change within income since the last period reported. This is due to the income budget being increased at period 4 through the recurring variance exercise which was carried out at that time. It is anticipated that additional income will be received mainly in relation to school lets and therefore the budget has been re-aligned accordingly.
- 4.5 Special Schools are currently showing a favourable variance of £63,062. This is mainly due to the service level agreement between Education and HEED for the provision of internal transport being lower than originally anticipated.
- 4.7 PPP is currently showing an adverse variance. This is due to higher than anticipated Non-Domestic rates due to the revaluation of the properties. The period to period variance is due to the recurring variance exercise which was undertaken recently whereby budget was transferred to the contingency fund.

Capital Budget

- 4.7 The current departmental budgetary position is noted within Appendix 3.
- 4.8 The overall variance for the service to period 6 is £940 adverse.
- 4.9 The main reason for significant change from period 3 is that projects have been re-aligned to ensure that the work undertaken remains within the budget provided.

5. People Implications

- 5.1 There are no people implications.

6. Financial Implications

- 6.1 Other than the financial position noted above, there are no financial implications of the budgetary control report.

7. Risk Analysis

- 7.1** The main financial risks to the ongoing financial position relate to unforeseen cost being identified between now and the end of the financial year. This can affect all service areas.

8. Equalities Impact Assessment (EIA)

- 8.1** The report is for noting and, therefore, no equalities impact assessment was completed for this report.

9. Consultation

- 9.1** The views of both Finance and Legal services have been requested on this report and both have advised there are neither any issues or concerns with the proposal. As the report is for noting no further consultation is envisaged.

10. Strategic Assessment

- 10.1** Proper budgetary control and sound financial practice are cornerstones of good governance and support Council and officers to pursue the five strategic priorities of the Council's Strategic Plan.

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Date: 23 October 2012

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Appendices: Appendix 1 - Summary Budgetary Position (Revenue)
Appendix 2 - Detailed Budgetary Position (Revenue)
Appendix 3 – Summary Budgetary Position (Capital)

Background Papers: General Ledger prints (period 6)

Wards Affected: All