

WEST DUNBARTONSHIRE COUNCIL

Report by the Director of Education and Cultural Services

Children's Services Committee: 13 December 2006

Subject: 2006- 07 Revenue Estimates – Budgetary Control Report for the Period 1 April to 15 October 2006

1. Purpose

- 1.1** This report provides Members with the latest information on expenditure and income to date within the Education and Cultural Services approved budget for 2006-7.

2. Background

- 2.1** The 2006-7 Education & Cultural Services budget forms part of the total General Services budget approved at a Special Meeting of the Council on 9th February 2006. Periodic reports are prepared throughout the financial year, in order to assess the extent to which expenditure and income are in line with budget expectations. Reports submitted to the Children's Services Committee reflect the latest financial period for which information is available. This report covers the period from 1st April to 15th October 2006.

3. Main Issues

- 3.1** There is an overall adverse variance of £68,537, or 0.16% of the budget to date.
- 3.2** The attached appendices provide the following information for the period 1 April to 15 October 2006:
- (a) Total expenditure and income against budget, by type of expenditure (e.g. Employee Costs) is shown in **Appendix A**,
 - (b) Total expenditure and income against budget across individual services (e.g. Primary) is shown in **Appendix B**,
 - (c) Expenditure and income against budget by type of expenditure for individual services is shown in **Appendix C**,
 - (d) Explanation of variances in excess of £25,000 by type of expenditure for individual services is shown in **Appendix D**.

3.3 The most significant variances by service area are as follows:

Central Administration - £42,624 Adverse

The adverse variance is mainly in Supplies & Services/ Admin. (£63,586). The Advertising budget historically overspends but should be offset by under-spends from vacant posts savings across the department. There are further small overspends in various administration costs lines e.g. Postage, Hospitality and Materials.

Primary - £174,786 Adverse

There is an overspend in Property Costs (£69,238) due to Energy costs. This is due to a combination of significant oil price increases, and overspends in other Energy lines due to the budget not fully reflecting current levels of spend.

There is a further overspend in Supplies & Services/ Admin. Costs (£66,921) due to Catering recharges for school meals. However, the overspend is partially offset by an over-recovery at income (£23,047), mainly from school meals. These budgets are subject to on-going monitoring.

There is an overspend in Transport (£49,682) due mainly to payments to Strathclyde Passenger Transport (SPT) for school bus contracts. However, there is an offsetting underspend at Secondary. The 2007-08 SPT budget has been reviewed to ensure an up to date split of contracts between the Primary & Secondary sectors.

Secondary - £259,582 Favourable

There is an underspend in staffing (£172,747) due mainly to initial problems with recruitment in specific subjects and in non-teaching posts. The variance is subject to change as the year progresses.

There is an underspend in Supplies & Services/ Admin. Costs (£101,036) due to Catering recharges for school meals, the budget for which is subject to on-going monitoring.

There is an underspend in Transport (£36,331) due to payments to Strathclyde Passenger Transport (SPT) for school bus contracts. This offsets the aforementioned overspend at Primary.

There is an overspend in Other Expenditure (£21,155) due to payments to Scottish Qualifications Authority for certificates taken by pupils, exceeding budget. There has been an increase in the numbers of certificates for which students are presented as well as above-inflation increases applied to charges.

Community Learning & Development - £67,421 Favourable

There is an underspend in staffing (£22,611) due to some vacant posts and at Property Costs (£24,313) due to janitors' costs appearing to fall short of budget expectations. These variances are subject to change due to filling of vacant posts and the further investigation of expected janitors' costs.

Pre-5 - £191,486 Adverse

There is an overspend in staffing (£193,324) partly due to the budget omitting to provide for increments awarded to some staff from 1st April 2006. This shall be rectified as part of the 2007-8 estimate preparation. There is a further overspend due to absence cover requirements at centres, for which there is only a very limited budget. Finally, a turnover savings target was allocated against the staffing budget that cannot be achieved due to the aforementioned cover requirement.

There is a further overspend in Payments to Other Bodies (£30,175) due to payments to commissioned providers of nursery places exceeding budget expectations. There has been a significant increase in the rate paid based as directed by Scottish Executive.

There is an over-recovery of income (£31,971) due to an unbudgeted grant and income from charging for places exceeding expectations.

Libraries - £43,589 Adverse

There is an overspend in staffing (£35,942) mainly due to additional payments to some staff working unsociable hours, not included in the original budget.

There is an overspend in Property Costs (£9,629) due mainly to a rental charge levied by Halls and Estates, for Faifley Library's occupancy of part of one of their properties. This was not previously charged for and therefore not included in the 2006-7 budget.

4. Personnel Issues

4.1 There are no personnel issues.

5. Financial Implications

5.1 The overall adverse variance as reported, provides only an indication of the final out-turn position.

6. Conclusions

- 6.1** The report has compared year to date expenditure and income with the approved budget to date, for Education and Cultural Services.
- 6.2** As stated at 3.1, there is an overall adverse variance of £68,537 or 0.16% of the budget to date.
- 6.3** Updated reports shall be presented to subsequent Children's Services Committees throughout 2006-7.

7. Recommendation

- 7.1** Members are asked to note the contents of this report.

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Background Papers: None

Wards Affected: Not applicable