

**REPORT TO: CHILDREN AND YOUNG PEOPLE'S SERVICES COMMITTEE ON
14 APRIL 2010**

SUBJECT: EDUCATIONAL SERVICES PPP BUDGET MONITORING REPORT

BY: DIRECTOR OF EDUCATIONAL SERVICES

1. REASON FOR REPORT

- 1.1 The purpose of this report is to provide a summary monitoring statement for the PPP Budget as at 28 February 2010.
- 1.2 This report is submitted to Committee in terms of Section D14 of the Council's Administrative Scheme relating to the consideration of Capital and Revenue budgets and long-term financial plans.

2. RECOMMENDATION

- 2.1 **It is recommended that Committee considers and notes the actual expenditure to 28 February 2010 and the forecast revenue budget position at 31 March 2010, detailed in the report and in Appendix 1.**

3. BACKGROUND

- 3.1 The budget of £408,000 per annum for the three year period to 31 March 2010, was approved at the meeting of The Moray Council on 13 September 2006 (para 24 refers). The PPP Budget is been managed over a three year cycle and the details in **Appendix 1** reflect this. The figures do not include costs incurred before 31 March 2007 when the current Outline Business Case was written. They also do not include any recharges of costs incurred by Financial and Legal Services in supporting the PPP project.
- 3.2 The monitoring statement shown as **Appendix 1** details the expenditure in the project to 28 February 2010. This currently shows 127% of the budget for 2009/10 as spent and shows an overspend of £152,363 to 28 February 2010.
- 3.3 An additional column has been added to **Appendix 1** to show the forecast spend for the year to 31 March 2010. Although an overspend of £432,000 is anticipated for 2009/10, over the 3 year period this overspend is anticipated to be £276,216 by 31 March 2010. This forecast overspend is as noted in the previous report.

- 3.4 **Appendix 1** provides an estimate of project costs up to 31 March 2010. It is now anticipated that the contract will be finalised in April 2010.

4 SUMMARY OF IMPLICATIONS

(a) Single Outcome Agreement/Service Improvement Plan

The Single Outcome Agreement local priority 10 – Efficiencies is evidenced by performance management, and the Service Improvement Plan commits to monitoring progress and reporting to this committee.

(b) Policy and Legal

None.

(c) Resources (Financial, Risks, Staffing and Property)

These are detailed in the report and in **Appendix 1**.

(d) Consultations

Consultations have taken place with the PPP Project Manager and the Head of Financial Services whose comments have been incorporated in this report.

5. CONCLUSION

- 5.1 **The latest revenue monitoring statement to 28 February 2010 shows a total cumulative spend of £1,376,363 over 2007/08, 2008/09 and 2009/10 resulting in an anticipated overspend of £276,216 over the three years to 31 March 2010.**

Author of Report: Andy Oliver, PPP Project Manager.
Background Papers: Held in Accountancy Section
Ref: DMD/JR/Reports/Children and Young People's Services Committee/
14 April 2010/Educational Services PPP Budget Monitoring Report

