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**REPORT TO: EDUCATION AND SOCIAL SERVICES COMMITTEE ON
13 FEBRUARY 2008**

SUBJECT: EDUCATIONAL SERVICES REVENUE BUDGET MONITORING REPORT

BY: DIRECTOR OF EDUCATIONAL SERVICES

1. REASON FOR REPORT

- 1.1 The purpose of this report is to provide a summary statement for the Educational Services Revenue Budget as at 31 December 2007.
- 1.2 This report is submitted to Committee in terms of Section D (14) 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 scrutinises and notes the budget position as at 31 December 2007 as detailed in the report and Appendix 1.**

3. BACKGROUND AND ANALYSIS

- 3.1 Para. 2.13 of the Financial Regulations requires Chief Officers to submit budget monitoring reports to the relevant Service Committee at quarterly intervals.
- 3.2 The variance in Administration and Management is due to underspends in Repairs and Maintenance, Additional ring-fenced allocations, PPP, School Transport, Central Supply cover and Visiting Specialist staffing, partly offset by overspends in SQA Exam Fees, advertising and training. It is anticipated that the Repairs and Maintenance, Ring-fenced allocations, school transport and Central Supply budgets will be fully utilised during the course of the year. The SQA fees issue will be dealt with as part of the 08/09 budget process. At this stage

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therefore there is a predicted year-end underspend of £163,000 in Administration and Management. Committee should note however that the central supply position is likely to change during the next reporting period due to increased levels of illness anticipated in the depths of the winter period.

- 3.3 The variance in Community Learning and Development is due to underspends in Youth Work staffing, Playgroup staffing, Adult Learning staffing and Travel costs and Active schools and Sports Development income. It is anticipated that during the year the underspends in Active Schools and Sports Development will be addressed resulting in spending in accordance with budget allocation. At this stage therefore there is a predicted year-end underspend of £114,000 in Community Learning and Development.
- 3.4 The variance in Special Education relates to an overspend in Out-of-area placements (OOA), offset by an underspend in Repairs and Maintenance and Staffing. It is anticipated that the Repairs and Maintenance budgets will be fully utilised during the course of the year and that the underspend in staffing will be reduced. At this stage therefore there is a predicted year-end overspend of £377,000 in Special Education.
- 3.5 The variance in Primary Education is due to underspends in Staffing and Energy, combined with a positive DSM carry-forward position partly offset by an over-spend on Per Capita.
- 3.6 The overall year-end variance forecast at this stage is an overspend of £557,000 within a total budget allocation of £80,980,000 (0.68%)

4. SUMMARY OF IMPLICATIONS

- (a) **Corporate Development Plan/Community Plan/Service Improvement Plan**
The effective management of the Educational Services Budget is essential for services to be provided efficiently and effectively.
- (b) **Policy and Legal**
None.
- (c) **Resources (Financial, Risks, Staffing and Property)**
These are detailed in the report and in **Appendix 1**.

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(d) Consultations

Deborah Brands, Principal Accountant, and the Educational Services Senior Management Team have been consulted and are in agreement with the relevant sections of this report.

5. CONCLUSION

5.1 That Committee scrutinises and notes the budget position as at 31 December 2007 as detailed in the report and Appendix 1

Author of Report: Alistair C. Farquhar, Head of Educational Resource Services

Background Papers:

Ref: DMD/JR/Reports/Education and Social Services Committee/
13 February 2008/Educational Services Revenue Budget Monitoring

Report