

Report

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Report to:	Education Resources Committee
Date of Meeting:	19 January 2010
Report by:	Executive Director (Finance and Information Technology Resources) Executive Director (Education Resources)

Subject:	Revenue Budget Monitoring 2009/2010 - Education Resources
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ provide information on the actual expenditure measured against the revenue budget for the period 1 April 2009 to 30 October 2009 for Education Resources
- ◆ provide a forecast for the year to 31 March 2010.

2. Recommendation(s)

2.1. The Committee is asked to approve the following recommendation(s):-

- (1) that the £0.341m overspend on Education Resources' revenue budget as detailed in Appendix A of the report, and the forecast to 31 March 2010 of break even, be noted.
- (2) that the proposed budget virements be approved.

3. Background

- 3.1. This is the second revenue budget monitoring report presented to the Education Resources Committee for the financial year 2009/2010. Further reports will follow throughout the financial year.
- 3.2. The report details the financial position for Education Resources in Appendix A, along with variance explanations.

4. Employee Implications

4.1. None

5. Financial Implications

- 5.1. As at 30 October 2009, the variance from phased budget to date is an overspend of £0.341million (0.2%). The forecast for the revenue budget to 31 March 2010 is a break even position.
- 5.2. Virements are also proposed to realign budgets across the services and with other Resources. These movements have been detailed in Appendix A to this report.

6. Other Implications

6.1. None

7. Equality Impact Assessment and Consultation Arrangements

- 7.1. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and therefore no impact assessment is required.
- 7.2. There is also no requirement to undertake any consultation in terms of the information contained in the report.

Linda Hardie

Executive Director (Finance and Information Technology Resources)

Larry Forde

Executive Director (Education Resources)

11 November 2009

Link(s) to Council Objectives

- ♦ Value: Accountable, Effective and Efficient

Previous References

- ♦ Education Resources Committee, 27 October 2009

List of Background Papers

- ♦ Financial ledger and budget monitoring results to 30 October 2009

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

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SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Education Resources Committee: Period Ended 30 October 2009 (No.8)

Education Resources Summary

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 30/10/09	Actual 30/10/09	Variance 30/10/09		% Variance 30/10/09	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	195,733	195,733	0	114,568	115,577	(1,009)	over	(0.9%)	1, a, b, c
Property Costs	31,323	31,323	0	22,621	21,889	732	under	3.2%	2, b, c
Supplies & Services	14,807	14,807	0	10,785	10,787	(2)	over	0.0%	b, c
Transport & Plant	10,666	10,666	0	5,050	5,050	0	-	0.0%	b, c
Administration Costs	1,081	1,081	0	492	491	1	under	0.2%	b, c
Payments to Other Bodies	13,454	13,454	0	7,528	7,601	(73)	over	(1.0%)	3, b, c
Payments to Contractors	22,300	22,300	0	10,130	10,130	0	-	0.0%	
Transfer Payments	1,339	1,339	0	1,296	1,296	0	-	0.0%	c
Financing Charges	724	724	0	572	572	0	-	0.2%	
Total Controllable Exp.	291,427	291,427	0	173,042	173,393	(351)	over	(0.2%)	
Total Controllable Inc.	(7,497)	(7,497)	0	(4,294)	(4,304)	10	over recovered	0.2%	c
Net Controllable Exp.	283,930	283,930	0	168,748	169,089	(341)	over	(0.2%)	

Variance Explanations**1. Employee Costs**

The overspend is due to increased average salaries relating mainly to School Support and Early Years employees and also costs in relation to Teachers including cover, particularly in respect of maternity cover.

2. Property Costs

The net underspend is due to Rates relief for Special Education Needs areas within schools and also less than anticipated spend on Other Property Costs, partially offset by increased security costs at decant facilities and costs of refuse uplifts.

3. Payment to Other Bodies

The overspend is mainly due to Scottish Qualification Authority costs, which is a demand led service.

Budget Virements

- Budget transfer to Corporate Resources in relation to Central Recruitment Staff (£0.095m): Employee Costs (£0.95m).
- Re-alignment of Management Savings £0.485m: Employee (£0.099m), Property £0.443m, Supplies and Services (£0.109m), Transport and Plant (£0.003m), Administration (£0.022m), Payments to Other Bodies (£0.210m)
- Additional Income from a number of external organisations: Employee Costs £0.261m; Property Costs £0.003m; Supplies and Services £0.058m; Transport and Plant £0.026m; Administration £0.014m; Payments to Other Bodies £0.126m; Transfer Payments £0.142m; Income (£0.630m)