

Report

Report to:	Education Resources Committee
Date of Meeting:	14 November 2017
Report by:	Executive Director (Finance and Corporate Resources) Executive Director (Education Resources)

Subject:	Education Resources - Revenue Budget Monitoring 2017/2018
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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 to 15 September 2017 for Education Resources
- ♦ provide a forecast for the year to 31 March 2018.

2. Recommendation(s)

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

- (1) that the breakeven position on Education Resources' revenue budget, as detailed in Appendix A of the report, and the forecast to 31 March 2018 of breakeven 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 2017/2018.

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 15 September 2017, there is a breakeven position against the phased budget. The forecast for the revenue budget to 31 March 2018 is a breakeven position.

5.2. Virements are also proposed to realign budgets across budget categories and with other Resources. These movements have been detailed in Appendix A to this report.

6. Other Implications

6.1. The main risk associated with the Council's Revenue Budget is that there is an overspend. The risk has been assessed as low given the detailed budget management applied across the Resources. The risk is managed through four weekly Budget Monitoring Meetings at which any variance is analysed. In addition, the probable outturn exercise ensures early warning for corrective action to be taken where appropriate.

6.2. There are no implications for sustainability in terms of the information contained in this report.

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.

Paul Manning

Executive Director (Finance and Corporate Resources)

Tony McDaid

Executive Director (Education Resources)

10 October 2017

Link(s) to Council Values/Objectives

- ◆ Accountable, Effective and Efficient

Previous References

- ◆ Education Resources Committee 5 September 2017

List of Background Papers

- ◆ Financial ledger and budget monitoring results to 15 September 2017

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:- Louise Allison, Finance Manager (Resources)

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SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Education Resources Committee: Period Ended 15 September 2017 (No.7)

Education Resources Summary

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 15/09/17	Actual 15/09/17	Variance 15/09/17		% Variance 15/9/17	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	210,531	210,531	0	91,641	91,600	41	under	0.0%	1,b,c,h
Property Costs	36,075	36,075	0	16,915	16,939	(24)	over	(0.1%)	e,f,h
Supplies & Services	22,105	22,105	0	2,413	2,416	(3)	over	(0.1%)	a,c,d,h
Transport & Plant	9,318	9,318	0	4,198	4,273	(75)	over	(1.8%)	2,h
Administration Costs	1,088	1,088	0	572	572	0	-	0.0%	c,d,h
Payments to Other Bodies	14,766	14,766	0	6,357	6,369	(12)	over	(0.2%)	c,h
Payments to Contractors	32,181	32,181	0	13,106	13,106	0	-	0.0%	
Transfer Payments	893	893	0	770	768	2	under	0.3%	g,h
Financing Charges	346	346	0	161	161	0	-	0.0%	d
Total Controllable Exp.	327,303	327,303	0	136,133	136,204	(71)	over	(0.1%)	
Total Controllable Inc.	(13,282)	(13,282)	0	(11,176)	(11,247)	71	over recovered-	(0.6%)	3,a,c,d,g
Net Controllable Exp.	314,021	314,021	0	124,957	124,957	0	-	0.0%	

Variance Explanations

1. This underspend reflects the timing of filling vacancies for in the Early Years service.
2. The transport overspend relates to the increased demand and cost of providing ASN transport in schools.
3. The over recovery in income relates to Early Years fees.

Budget Virements

- a. Additional Income from external organisations. Net Effect £0.000m: Supplies and Services £0.039m and Income (£0.039m).
- b. Transfer of funding for the 2017/18 Living Wage & Pay Award. Net Effect £0.089m: Employee Costs £0.089m.
- c. General Revenue Grant for the Early Years 1140 additional hours. Net Effect £0.000m: Employee Costs £0.461m, Supplies and Services £0.370m, Administration Costs £0.080m, Payments to Other Bodies £0.309 and Income (£1.220m).
- d. Transfer of support budget to Finance & Corporate Resources. Net Effect £0.011m: Supplies and Services (£0.003m), Admin (£0.001m), Financing (£0.001m) and Income £0.016m.
- e. Transfer of budget to Housing & Technical Resources for 2017/18 utility saving. Net Effect (£0.017m): Property Costs (£0.017m).
- f. Transfer of budget to Community & Enterprise for the removal of the Grounds Trading Expenditure budget. Net Effect (£0.584m): Property Costs (£0.584m).
- g. Realignment of Education Maintenance Allowance budget. Net Effect £0.000m: Transfer Payments £0.008m, Income (£0.008m).
- h. Realignment of DMS. Net Effect £0.000m: Employee Costs £0.184m, Property £0.036m, Supplies and Services (£0.045m), Transport and Plant £0.134m, Administration Costs £0.032m, Payments to Other Bodies (£0.343m), Transfer Payments £0.003m, Finance Charges (£0.001m).