

EAST AYRSHIRE COUNCIL

CABINET – 22 AUGUST 2007

EDUCATION SERVICES – DRAWDOWN OF REVENUE BALANCES

Report by the Executive Director of Educational and Social Services

1. PURPOSE OF THE REPORT

- 1.1 The purpose of this report is to seek Executive Cabinet approval for the drawdown of unutilised revenue balances which have been carried forward from 2005/06 and 2006/07.

2. BACKGROUND

- 2.1 In each of the last two financial years Education Services has carried forward £899,701 (2005/06) and £2,639,194 (2006/07). From these totals £2.712 million has been carried forward for ring fenced initiatives such as establishment carry forwards, development of Early Years facilities, and adult literacy/numeracy activities.

This leaves a balance of £826,805 which is uncommitted.

- 2.2 These funds are non recurring and therefore can only be used on a “one off” basis.

3. DRAWDOWN PROPOSALS

3.1 Educational establishments’ carry forwards

- 3.1.1 In 2006/07 establishments requested a carry forward total of £681,021. Under the establishments’ Delegated Management of Resources (DMR) Head Teachers can request to carry funding from one financial year into the next. This provides greater spending flexibility and ensures that management are focused on both financial and activity planning. The total is broken down over the following sectors :-

• Learning Partnerships	£ 51,847
• Early Years	£ 6,118
• Primary	£295,927
• Secondary	£316,453
• Special	<u>£ 10,676</u>
	£681,021

- 3.1.2 Financial out-turn statements for each establishment have confirmed that the maximum carry forward allowed will be £570,000. It is therefore requested that this sum be drawdown and distributed to individual establishments.

3.2 Teacher's Early Retiral Scheme

3.2.1 In order to continue the development of school structures, following the Teaching Profession for the 21st century, and to ensure the continued employment of newly qualified teachers within East Ayrshire a number of teachers were offered and accepted early retiral. The initial additional cost to the Council of this early retiral initiative is £75,000, however savings will be forthcoming in the form of reduced average salary costs as individuals on conserved salaries or at the top of the basic grade incremental scale are replaced by staff appointed at the lower end of the basic teacher scale and to job sized promoted posts.

3.2.2 The funding will come from the balance of funds held for establishment carry forwards.

3.3 Early Years – Improvement to New Farm Nursery Class

3.3.1 The best value review on Early Years, which was completed in August 2006 and approved by Education Committee on 12 September 2006, identified an increased demand for pre school provision within certain areas of East Ayrshire. It is clear that the demand for places in the New Farm area exceeds the current 20FTE places available.

3.3.2 Work has been undertaken with Technical Services to develop accommodation in New Farm Primary School to increase the number of placements from its current level to a maximum of 40FTE, however the final capacity will only be know when the works have been reviewed by the Care Commission. The estimated improvement costs are £180,000.

3.3.3 This funding will come from monies carried forward to support Surestart activities.

3.4 Curriculum Development and Support

3.4.1 Elected Members will be aware of curriculum initiatives such as “A Curriculum for Excellence” and enterprise in education and local priorities to raise standards in literacy and numeracy. It is proposed to drawdown £150,000 to support developments in these areas within East Ayrshire establishments.

3.4.2 This funding will be used to provide CPD for classroom based practitioners, to support central activities which co-ordinate the planning of these initiatives and the monitoring of the impact for pupils and staff.

3.4.3 This funding will come from the balances held for establishment carry forwards.

4. LEGAL/FINANCIAL/POLICY IMPLICATIONS

4.1 The expenditure of £975,000 incurred from these initiatives will be fully supported from the drawdown of departmental balances.

5. COMMUNITY PLAN IMPLICATIONS

5.1 This financial resource will assist the Council in meeting the following aspects of the Community Plan :-

- Improving opportunities;
- Promoting community learning; and
- Eliminating poverty

6. RISK MANAGMENT IMPLICATIONS

6.1 This funding will assist the Council in meeting its learning and teaching objectives for young people.

7. RECOMMENDATIONS

7.1 It is recommended that Members of the Executive Cabinet:

- (i) agree the request for drawdown of £975,000 from departmental balances; and
- (ii) otherwise note the contents of this report.

Graham Short
Executive Director of Educational and Social Services

EC/
26 July 2007

LIST OF BACKGROUND PAPERS

NIL

Members wishing further information should contact Euan Couperwhite, Head of Resources, Tel: (01563) 576090 or Christopher Johnston, Financial Service Manager, Tel : (01563) 573731.

IMPLEMENTATION OFFICER : EUAN COUPERWHITE