

EAST AYRSHIRE COUNCIL

POLICY AND RESOURCES COMMITTEE – 5 OCTOBER 2000

VIREMENT – 2000/2001 REVENUE BUDGET : INCLUDING THE ALLOCATION OF ADDITIONAL FUNDING

REPORT BY DIRECTOR OF EDUCATIONAL AND SOCIAL SERVICES

1. PURPOSE OF REPORT

- 1.1 To seek Committee approval for the allocation of resources for new Education initiatives and virement of budgets in order to facilitate accurate monitoring of expenditure against budget.
- 1.2 Members should note that the adjustments noted in section 3.2 below were submitted to and approved by the Education Committee of 19 September 2000.

2. BACKGROUND

- 2.1 The decentralised DMR budgets are constructed differently from the corporate Education budget approved by the Council. This has led to some differences in the analysis of the budget, although the total value of financial resources remains the same.
- 2.2 During the 2000/2001 budget setting process the Government announced an additional £868,000 funding above the 1999/2000 Excellence Fund allocation. This has previously been added to the service's base estimate.

However, Scottish Executive funding for initiatives such as the New Community Schools, Modern Languages project and Additional Resources for Schools was announced after the completion of the budget setting process. This now requires to be added to the revenue budgets of the Education Service within the Corporate Ledger.

- 2.3 The Director of Finance has indicated that, under Section 5.3 of the Council's Financial Regulations, the Policy & Resources Committee should approve virement in excess of £50,000.

3. VIREMENT

- 3.1 The proposed movement in budgets across objective heads is shown in Table 1 (below).

3.2 Reconciliation of Corporate Ledger to Education System Objective Summary

Objective Headings	Corporate Ledger Budget	Education System Budget	Virement for Corporate Ledger
Central Administration	1,207,719	1,237,930	30,211
Pre Fives	1,323,907	1,365,490	41,583
Primary	24,615,160	24,573,000	(42,160)
Secondary	27,704,729	28,138,730	434,001
Special	5,083,692	5,211,560	127,868
Other Education	328,515	341,740	13,225
Psychological	537,410	544,150	6,740
Quality Development	251,787	354,010	102,223
Community Education	2,326,043	2,282,980	(43,063)
New Community Schools	0	200,002	200,002
Modern Languages	0	775,000	775,000
	63,378,962	65,024,592	1,645,630

4. FINANCIAL/LEGAL/POLICY IMPLICATIONS

- 4.1 The table above details virement required to reconcile the Council's Corporate Ledger and the Department's SEEMIS package. As detailed in (2.1 and 2.2 above) the reasons for differences between the budgets held in each system include the methodology employed in constructing the annual budget. The adjusted allocations shown in the table reflects the budget required to deliver the Education Services, and encompasses the adjustments due to the allocation of additional resources from the Scottish Executive.
- 4.2 Under Section 5.3 of the Council's Financial Regulations, virement in excess of £50,000 should be approved by the Policy & Resources Committee.

5. RECOMMENDATIONS

- 5.1 Members of the Policy and Resources Committee are asked to:
- Agree the virement and adjustments noted in Section 3.2 and instruct the Director of Finance to make the necessary adjustments to the corporate ledger; and
 - Note the contents of the report.

John Mulgrew
 Director of Educational and Social Services

EC
 22 September 2000

AGENDA

LIST OF BACKGROUND PAPERS

NIL

Members wishing further information should contact Allan McDougall, Head of Resource Support, Tel: (01563 576090) or Euan Couperwhite, Departmental Finance Manager, Tel: (01563 573367).

Implementation Officer Allan McDougall, Head of Resource Support