

MONITORING OF CAPITAL AND REVENUE EXPENDITURE

Report By: HEAD OF POLICY AND RESOURCES

Wards Affected

Countywide

Purpose

1. To report on revenue and capital expenditure up to 31st March, 2004.

Financial Implications

2. As set out within the report.

Revenue Expenditure 2003-04.

3. The monitoring report to the January meeting of this Committee anticipated that the Education Revenue Budget would be underspent by approximately £200,000 (0.25%). The latest projections indicate that the underspend may be higher, in the region of £300,000 (0.4%), as Appendix 1 indicates. The higher level of underspending derives, in particular, from lower than expected take-up of Nursery Education Grant for 3 year olds. The actual number of children taking up grant is not greatly different from that projected, but some parents appear to be opting for fewer sessions than the 5 daily sessions to which they are entitled.
4. On Home to School Transport, for which budget provision had anticipated a higher level of inflation, it has been possible to contain costs a significant saving has been achieved. Measures to reduce costs have included improved efficiency in route planning and in the allocation of transport for students with Special Educational Needs.
5. Expenditure on school placements for pupils with Special Educational Needs has risen above the provided level, reflecting the significant above-inflation costs for residential provision for pupils with the severest and most complex needs. There has also been increased activity in the post 16 area by the LSC for which the LEA has to pay. A number of programmes of action have been put into place in order to reduce the costs of expensive placements. Such measures include development of small specialist provision for primary age children with autism and new joint-working arrangements with Social Services and the Primary Care Trust.
6. **School** budget allocations have needed in-year increase amounting to approximately £400,000. Such adjustments were required to take account of newly delegated banded funding for pupils with SEN in primary schools, to meet the extra cost of insurance premiums above the level of inflation and to provide for growth in pupil numbers in secondary and special schools. Such in-year adjustments are normal features of the current LMS Scheme and contingency provision had been made within the Schools Budget to cover those additional costs.

Capital Expenditure

7. Expenditure on capital projects in Education is summarised in Appendix 2. Spending on completed projects is shown in aggregate at the top of Table, but projects are shown individually where outstanding payments have yet to be finalised, or in the case of those projects where building contracts have been let and construction is underway, or where projects are still at a design stage.

It should be noted that:

- (a) overall the capital programme has been delivered within budget, with neither significant overspend nor under spend;
- (b) one of the largest items of expenditure relates to acquisition of the new site for replacement of Whitecross High School. The contract should be completed before 31st March, which is timely given that the Cabinet decided on 18th March the selection of a preferred bidder. An update will be provided at the meeting, and plans will be on display to indicate the form of building that it is intended the school should have;
- (c) the fact that there are 15 projects in design or at construction means that a commitment to future spending of £3.9m has been made;
- (d) 11 projects over £100,000 were completed within the financial year. The Chairman of the Committee has visited 6 of these, and also inspected two schools under construction. In all instances of completed schemes, schools were very pleased with the overall result, though often having some reservations about some details. The schemes and the observations made are set out in the table below.

School and Project	Value	Start date	School comments
St David's PRU	£631,500	January 2003	Very pleased with outcome, though concern about some aspects of construction, especially meeting deadlines.
Lugwardine Primary School	£97,877	April, 2003	Pleased with outcome though concern about inconvenient phasing of work.
St Mary's RC High School	£389,100	April, 2003	Some concerns during implementation with criticism over detailed finish (e.g. height of trunking conflicting with whiteboard), flooding incident and purchase of furniture.
Lea CE Primary School	£984,585	May, 2003	Under construction. At this stage nothing but praise for architect and contractor.

For further information on the subject of this report is available from
George Salmon, Head of Policy and Resources on (01432) 260812

Much Marcle CE Primary School	£258,667	February, 2003	Flexibility of architect and contractor praised.
John Masefield High School	£957,800	February, 2003	School observation that it is essential for staff and students using the building to be involved from outset. Again, example of conflict between heights of trunking and whiteboard occurred which could have been avoided through fuller involvement of users.

RECOMMENDATION

THAT the report on Education capital and revenue expenditure be noted.

BACKGROUND PAPERS