



MINUTES

A&B - Public

**Special Education and Families Committee
Council Chamber, Town Hall, Lerwick
Wednesday 20 November 2013 at 2.00pm**

Present:

Councillors:

V Wishart	G Smith
P Campbell	G Cleaver
B Fox	M Stout

Religious Representatives:

T Macintyre

Also:

A Cooper	R Henderson
A Wishart	

Apologies:

R MacKay	A Manson
F Robertson	G Robinson
D Sandison	M Tregonning

In Attendance:

H Budge, Director of Children's Services
C Ferguson, Director of Corporate Services
N Grant, Director of Development Services
J Gray, Executive Manager – Finance
J Riise, Executive Manager – Governance and Law
H Tait, Team Leader - Accountancy
L Rosie, Communications Officer
L Geddes, Committee Officer

Chairperson

Ms Wishart, Chair of the Committee, presided.

Circular

The circular calling the meeting was held as read.

Declarations of Interest

None

46/13 **Management Accounts for Education and Families Committee: 2013-14 – Projected Outturn at Quarter 2**

The Committee considered a report by the Executive Manager – Finance (Report No: F-062-F), which enabled the monitoring of the financial performance of services within the Committee's remit to ensure that expenditure incurred and

income generated have been delivered within the approved budget, and so that timely action can be taken when required to mitigate projected overspends.

The Executive Manager – Finance summarised the main terms of the report, advising that there were no major variances to report, and the projected underspend of £197,000 reflected the work carried out in Children's Services to reduce spending. It was proposed to move the budget relating to off-island placements for 2014/15 out of Children's Services in order to better manage the risk for the Council due to the unpredictable nature of this budget. The projected capital overspend largely related to timing and profiling issues for the Anderson High School (AHS) project. This had been discussed with the Scottish Futures Trust, and work would be carried out to address these issues.

The Executive Manager – Finance, Director of Children's Services and the Director of Development Services then responded to questions from Members, and Members noted the following:

- The projected underspend in adult learning was as a result of efficiencies that had been achieved, and also due to staff vacancies that had not currently been filled due to the ongoing review of tertiary education. Service delivery was currently not affected, but it was something that would be monitored to ensure there were no longer term effects.
- There were a number of vacancies across Children's Services and, depending where they were located, these could have an effect on staff. However vacancies in relation to statutory posts, such as teaching, were filled by using supply staff. Work was ongoing to reduce staff in a planned and appropriate way, and posts were considered for redeployment before being advertised.
- The overspend in relation to the AHS project would not impact on Children's Services revenue budgets, as it was within the overall project envelope of £42million and related to profiling and timing issues.
- The figures relating to the capital project recharges were not to hand, but would be supplied to Members. The cost of Capital Projects staff was apportioned to projects they were involved with, and overall costs were not increasing.
- Vacancies at Train Shetland meant that there was some affect on the ability to market courses, so it was important that they did not run on too long in case income was affected.

Decision:

The Committee **RESOLVED** to review the Management Accounts showing the projected outturn position at the end of Quarter 2.

47/13

2014-15 Budget and Charging Proposals

Education and Families Committee

The Committee considered a report by the Executive Manager - Finance (Report No: F-053-F), which presented the budget proposals for the services within the Committee's remit which would, in turn, contribute towards ensuring that the Children's Services and Development Directorates meet their Target Operating Budgets, as set out in the Medium Term Financial Plan.

The Executive Manager – Finance summarised the main terms of the report, advising that overall the services within the remit of the Committee had put forward budget proposals that met the targets set out in the Medium Term Financial Plan. The table in paragraph 3.3 illustrated that there had been budget transfers where responsibility for particular budgets had been transferred elsewhere, such as for off-island placements. The pay award for 2013/14 and 2014/15 had been built into core budget proposals, giving a revised target within the overall target. The savings proposed through the Strategy for Secondary Education and the Education Blueprint had been removed from the Children's Services budget and placed in the Council's corporate cost pressure and contingency budget, as these still had to go through consultation. Should the Council choose not to follow through these proposals, there would be cost pressures on the budget. This was a temporary holding position as money had been made available to maintain the status quo on the basis that there would be changes, as there would not be money available in future years.

It was suggested that the Council should send a delegation of Members to the Western Isles to see if they could ascertain why the Western Isles was able to deliver education at a cost of £3,000 less per pupil than Shetland.

The Executive Manager – Finance advised that the Chief Executive had asked staff from Finance Services to work with staff from Orkney and the Western Isles to see if an explanation could be provided, so work would be taking place on this shortly. It was suggested that the Rural Schools Network could also be contacted for information, as it had a good understanding of the variations between areas.

In response to a query regarding how much of the overall budget related to Council recharges, the Executive Manager – Finance explained that the figure in the report of £39.8million related to controllable costs, and recharges would not be apportioned until after the year end. It was likely that recharges would push this figure up to £43/44million. The Director of Children's Services added that the recharges figure used to be in the region of £5million, so it had decreased. She felt that it now represented good value for money, and it was an area that she had closely scrutinised to ensure that this was the case.

The Director of Children's Services responded to questions from Members, and Members noted the following:

- Although the budget for off-island placements had been moved, there would be no corresponding reduction in staffing. The decision to make an off-island placement was made by the Children's Panel or a social worker. The education and care of the child would be undertaken by a different local authority, but input from social work staff locally was still required to help enable a return to Shetland.
- The Scottish Government had recognised the socio-economic studies carried out as part of the Blueprint for Education as examples of good practice, and the Commission for Rural Education had also commented on this in its report. She was confident that the Council's responsibilities in terms of the Public Services (Social Value) Act 2012 were being met within the directorate.
- The fees for the Bells Brae Nursery and Mossbank differed because the Bells Brae session related to the hour that was offered in addition to the statutory provision, whereas Mossbank offered childcare for longer periods of time. It

was hoped to get the charges more in line with each other, but this would take some years. A review of childcare in Lerwick had recently been undertaken, and the charging in different groups had been considered in an effort to make them more viable and sustainable. Ness and Mossbank would both charge the same, but the charges for Islesburgh Out of School Club had been set in line with the recommendations of the Lerwick Childcare Review.

- The charges in relation to the halls of residence had not been increased. They related to placing requests and there were not that many pupils who took up that opportunity, with the charges means-tested for those who did. It had been decided to keep the charge the same in order to maintain the opportunity for pupils to stay in the halls of residence if they wished. She did not have the information to hand as to whether the fee covered the costs incurred, and said that this would also depend on the staffing ratios required. However she would provide this information to Members.
- The directorate management team had agreed that all managers would make a 2% reduction in their budgets, regardless of the size of budget, and that was what was presented in the report. The Schools/Quality Improvement budget was looking at a range of other efficiencies, not just those relating to school closures, but the information in the appendix would require to be updated to reflect decisions that had been made recently.
- The halls of residence were used outwith school term times, particularly for larger events that were taking place in Shetland. The manager was keen for this to continue and it did provide income for the Council, so this was something that should be encouraged. However sometimes there were maintenance projects that took place over the summer months, so it was not always possible to use the halls of residence during holiday periods. Use of school buildings for events during holiday periods was something that could also be considered.
- Evening lettings of schools now focussed on particular nights in order to make more efficient use of janitors.
- Efforts were being made to try and encourage private sector childcare, particularly in Lerwick, and the Childcare Strategy suggested that there should be a five-year programme for this. Charges had been amended so that they were closer to private sector charges so that the Council was not in direct competition.

Ms Wishart moved that the Committee resolve to approve the recommendation in the report, and Mr G Smith seconded.

Decision:

The Committee **RECOMMENDED** that the Executive Committee recommend to the Council that it resolve to approve the budget proposals for 2014-15 included within this report and set out in detail in the Budget Activity Sheet and Charging Sheet.

The meeting concluded at 2.45pm.

.....
Chair