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**REPORT TO: EDUCATION, CHILDREN'S AND LEISURE SERVICES  
COMMITTEE ON 20 FEBRUARY 2024**

**SUBJECT: EDUCATION REVENUE BUDGET MONITORING TO  
31 DECEMBER 2023**

**BY: DEPUTE CHIEF EXECUTIVE (EDUCATION, COMMUNITIES AND  
ORGANISATIONAL DEVELOPMENT)**

**1. REASON FOR REPORT**

- 1.1 To inform the Committee of the budget position for Education as at 31 December 2023.
- 1.2 This report is submitted to Committee in terms of Section III (A) (2) of the Council's Scheme of Administration relating to the consideration of capital and revenue budgets and long term financial plans.

**2. RECOMMENDATION**

- 2.1 **It is recommended that Committee considers and notes the budget position at 31 December 2023.**

**3. BACKGROUND**

- 3.1 The report highlights those areas of the budget where there is a significant percentage variance identified at 31 December 2023.

**4. BUDGET POSITION**

- 4.1 The spend at 31 December 2023 is £72,602,000 against a budget to date of £73,244,000, giving an underspend of £642,000 as shown in **Appendix 1**.
- 4.2 Early Learning and Childcare is overspent on payments to partners by £155,000 due to forecasting issues with in year intakes. With the ongoing review of the service savings will be made in the speech and language therapy contract and staffing, these will cover the overspend this year. In future years, this will be accounted for within budget setting and more accurate forecasting. The overspend is reduced by an underspend on the snack and fundraising accounts, these accounts cover the academic year and any underspends are carried forward as part of ear marked reserves.
- 4.3 Devolved school budgets are underspent by £818,000 at the end of the third quarter, £281,000 in primary schools and £537,000 in secondary schools. This

can be explained by spend for staffing being across the academic year and so this variance is normal and accounted for. In addition this is a reduction from last year where the underspend exceeded £1m at this point in the session. There is an underspend on non devolved budgets of £135,000 which is mainly energy.

- 4.4 Education Central Services has an underspend of £21,000 on period poverty, £9,000 on relocation costs, £6,000 on clothing grants, £8,000 on disturbance mileage and £10,000 on staff advertising. The underspends are reduced by an overspend of £216,000 on central supply for long term sickness and maternity cover in schools and insurance costs of £58,000 due to an increase in claims. Work is planned for the start of the new academic session to review the range of products available for period poverty and to seek the voice of our young people in updating this to ensure the use of budget is informed by the views of young people. In the meantime a one-off saving can be considered and future spend will be informed by the planned work. Staff advertising in TES (education recruitment publication) has been ceased.
- 4.5 Additional Support for Learning has an underspend on home tuition £5,000, training £12,000 and other minor underspends making up the balance of £15,000. Plans are being developed for staff training and development linked to the future delivery of ASN services, which this budget will support.

## **5. ESTIMATED OUTTURN**

- 5.1 The estimated outturn for 2023/24 is £101,779,000 against a budget of £102,138,000 resulting in an estimated underspend for the year of £359,000.
- 5.3 The energy budgets for schools are projected to be underspent by the end of the year, this is a non devolved budget.
- 5.4 There is an anticipated overspend on central supply for schools of £480,000 and £58,000 on insurance costs. This overspend is reduced by underspends on period poverty £27,000, school clothing grants £5,000, disturbance mileage £8,000 and staff advertising £9,000.
- 5.5 There is an anticipated underspend on the speech and language therapy contract and support of £85,000, this is due to a review of the service being provided. A committee paper went to Education, Children's and Leisure Services Committee on 19 September 2023 (para 14 of minute refers) which outlined the proposed changes to the service. There is an anticipated underspend on Additional Support for Learning training of £10,000.
- 5.6 Staff savings from vacancies and appointment below top of scale are anticipated to exceed budget by £500,000.

## **6. SUMMARY OF IMPLICATIONS**

- (a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))**

The Education Revenue Budget has particular reference to National Outcome 8 – we have improved the life chances for children, young people and families at risk.

**(b) Policy and Legal**

The Council has statutory responsibilities to meet educational needs, the needs of children and young people in need and those it looks after.

**(c) Financial implications**

The resource implications are set out in this report and at **Appendix 1**. The underspend as at 31 December 2023 is £642,000 against a budget to date of £73,244,000. The estimated year end position is expenditure of £101,779,000 against a budget of £102,138,000 resulting in an underspend of £359,000.

**(d) Risk implications**

Budget Managers are aware of their responsibilities for managing budget allocations and approval for any variances will be sought from Committee in line with the Financial Regulations.

**(e) Staffing implications**

There are no staffing implications associated with this report.

**(f) Property**

There are no property implications associated with this report.

**(g) Equalities/Socio Economic Impact**

An Equality Impact Assessment is not needed because the report is to inform the Committee on budget monitoring.

**(h) Climate Change and Biodiversity Impacts**

No climate change and biodiversity impacts arise directly from this report.

**(i) Consultations**

Chief Financial Officer and Caroline O'Connor, Committee Services Officer have been consulted and are in agreement with the contents of this report where it relates to their areas of responsibility.

**7. CONCLUSION**

**7.1 That Committee considers and notes the budget position as at 31 December 2023.**

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Background Papers: with authors  
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