



**REPORT TO: EDUCATION, CHILDREN'S AND LEISURE SERVICES
COMMITTEE ON 28 NOVEMBER 2023**

**SUBJECT: EDUCATION REVENUE BUDGET MONITORING TO
30 SEPTEMBER 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 30 September 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 30 September 2023.**

3. BACKGROUND

- 3.1 The report highlights those areas of the budget where there is a significant percentage variance identified at 30 September 2023.

4. BUDGET POSITION

- 4.1 The spend at 30 September 2023 is £45,214,000 against a budget to date of £45,917,000, giving an underspend of £703,000 as shown in **Appendix 1**.
- 4.2 The main underspend in Early Learning and Childcare is 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 £613,000 at the end of the second quarter, £130,000 in primary schools and £483,000 in secondary schools. The underspend is reduced by overspends on employers oncosts. The budgets will be amended in October to reflect the census figures for the 2023/24 academic year.

- 4.4 Education Central Services has an underspend of £14,000 on period poverty, £8,000 on relocation costs, £11,000 on clothing grants and £10,000 on staff advertising. The underspends are reduced by an overspend of £71,000 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 budget is informed by the views of young people. Staff advertising in TES (education recruitment publication) has been ceased.
- 4.5 Additional Support for Learning has an underspend on speech and language therapy £25,000, staff travel £13,000, £8,000 training and other minor underspends making up the balance of £13,000. Plans are being developed for staff training and development linked to the future delivery of ASN services, which this budget will support. There was a review of the speech and language therapy contract and support which was reported to Education, Children's and Leisure Services 19 September 2023. Staff travel savings will be posted in quarter 3.

5. ESTIMATED OUTTURN

- 5.1 The estimated outturn for 2023/24 is £98,681,000 against a budget of £98,880,000 resulting in an estimated underspend for the year of £199,000.
- 5.2 The Early Learning and Childcare budget was overspent by £289,000 in 2022/23, savings have been made which has brought this down to £100,000 in 2023/24. It is anticipated further savings will be made in 2024/25 to bring the service in budget. However, the forecast overspend could increase following the January 2024 intake, projected numbers for January are currently being prepared and will be used to more accurately assess this risk. There is an anticipated underspend in the speech and language therapy contract and support.
- 5.3 Primary school employer oncosts will be reviewed as part of the change of budget for census figures. Budgets for schools are based on an average percentage and are reviewed each year per the DSM scheme, the overspend to date relates to an increase in staff joining the pension scheme.
- 5.4 There is an anticipated overspend on central supply for schools of £225,000 and £58,000 on insurance costs. This overspend is reduced by underspends on period poverty £25,000, school clothing grants £10,000, disturbance mileage £11,000 and staff advertising £9,000.
- 5.5 There is an anticipated underspend on the speech and language therapy contract and support of £65,000, 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.

- 5.6 Staff savings from vacancies and appointment below top of scale are anticipated to exceed budget by £429,000.

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 30 September 2023 is £703,000 against a budget to date of £45,917,000. The estimated year end position is expenditure of £98,681,000 against a budget of £98,880,000 resulting in an underspend of £199,000.

(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 30 September 2023.**

Author of Report:

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Nicky Gosling, Accountant

Background Papers:

with authors

Ref:

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