



**REPORT TO: EDUCATION, CHILDREN'S AND LEISURE SERVICES
COMMITTEE ON 8 JUNE 2022**

**SUBJECT: EDUCATION REVENUE BUDGET MONITORING TO 31 MARCH
2022**

**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 March 2022.
- 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:

- (i) considers and notes the budget position at 31 March 2022; and**
- (ii) agrees the revised carry forwards on Appendix 2**

3. BACKGROUND

- 3.1 The report highlights those areas of the budget where there is a significant percentage variance identified at 31 March 2022.

4. BUDGET POSITION

- 4.1 The spend at 31 March 2022 is £68,694,000 against a budget of £71,454,000, giving an underspend of £2,760,000 as shown in **Appendix 1**.
- 4.2 The main variance in Early Learning and Childcare is an underspend on the milk and healthy snack funding.

- 4.3 The main variance in primary and secondary schools relates to devolved school budgets comprising of £601,136 in primary schools and £805,930 in secondary schools. As part of the Devolved School Management Scheme schools are allowed to carry forward up to 2.5% of an underspend or a 5% overspend on their devolved budget. At the end of the 2021/22 primary schools had exceeded their 2.5% underspend limit by £148,728 and secondary schools by £215,342. Due to delays in supply of IT equipment and building works it is proposed to increase the limit of some schools for this year only to cover these outstanding costs for orders placed during the year but not yet received due to the impact on the supply chain from the covid pandemic. **Appendix 2** shows the original restriction to be applied to schools over the 2.5%, the adjustment to cover outstanding costs of £245, 091 and the revised restriction to be applied. The revised restriction shows £118,979 of the school underspends will not be carried forward but will be retained in the General Fund.
- 4.4 Education Central Services has an underspend of £28,000 on period poverty and £12,000 on the 1+2 budget. The Pupil Equity Fund grant shows an underspend of £1,046,000 as it is used over an academic year and so the balance will be carried forward as an ear marked reserve.
- 4.5 Staff savings from vacancies and appointment below top of scale exceed the budget by £206,000

5. 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 and 2**. To further breakdown the £245,091 carry forward request, this is broken down:

Primary ICT orders	£34,347
Secondary ICT orders	£55,744
Secondary Building works	\$£155,000

The underspend as at 31 March 2022 is £2,760,000 against a budget of £71,454,000.

- (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**
Paul Connor, Principal Accountant and Tracey Sutherland, Committee Services Officer, have been consulted and are in agreement with the contents of this report where it relates to their areas of responsibility.

6. CONCLUSION

6.1 That Committee considers and notes the budget position as at 31 March 2022 and approves the revised school carry forwards.

Author of Report: Vivienne Cross, Head of Education
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Background Papers: with authors

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