



**REPORT TO: EDUCATION, COMMUNITIES AND ORGANISATIONAL
DEVELOPMENT COMMITTEE ON 3 FEBRUARY 2020**

**SUBJECT: EDUCATION RESOURCES AND COMMUNITIES REVENUE
BUDGET MONITORING TO 31 DECEMBER 2020**

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

1. REASON FOR REPORT

- 1.1 To inform the Education, Communities and Organisational Development Committee of the budget position for Education Resources and Communities as at 31 December 2020
- 1.2 This report is submitted to the Education, Communities and Organisational Development Committee following a decision of Moray Council on the 17 June 2020 to agree a simplified committee structure as a result of the COVID-19 pandemic. In the case of this committee the combining of the delegated responsibilities of Children and Young People Services, Governance, Strategy and Performance, (para 9 of the minute refers).

2. RECOMMENDATION

- 2.1 It is recommended that Committee scrutinises and notes the budget position at 31 December 2020.**

3. BACKGROUND

- 3.1 The report highlights those areas of the budget where there is a significant percentage variance identified at 31 December 2020.

4. BUDGET POSITION

- 4.1 The spend at 31 December 2020 is £19,214,000 against a budget to date of £18,381,000, giving an overspend of £833,000 as shown in **Appendix 1**.
- 4.2 The main variances are loss of income in sport and leisure £1,108,000, libraries £86,000 and music instruction £43,000 due to the COVID pandemic. The overspend is reduced by an underspend on facility operational costs of £228,000.

- 4.3 There is an underspend in schools repairs and maintenance due to no building works having been undertaken in the first few months of the year because of lockdown restrictions in place.
- 4.4 There is currently an overspend of £230,000 on costs associated with the COVID pandemic. The costs are for average pay to relief staff during lockdown, recovery costs associated with the reopening of leisure facilities and £156,000 of hardship payments which will be funded by a grant from the Scottish Government.
- 4.5 Underspends on staff travel across the service are £52,000.

5 ESTIMATED OUTTURN

- 5.1 The estimated outturn for 2020/21 is £24,804,000 against a budget of £24,492,000 resulting in an estimated overspend for the year of £312,000.
- 5.2 The impact of the COVID pandemic and lockdown measures that have been put in place have had a significant impact on income with a projected loss for leisure, sports development, libraries and music instruction of £1,610,000. There are anticipated underspends on the operation of facilities closed during the lockdown periods of £110,000. Direct costs of response to the pandemic are £72,000
- 5.3 There is an anticipated underspend of £410,000 on schools repairs and maintenance and energy of £91,000.
- 5.4 Staff savings from vacancies and appointment below top of scale are anticipated to exceed the budget by £496,000.
- 5.5 Underspends on staff travel across the service are anticipated to be £57,000

6. SUMMARY OF IMPLICATIONS

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

The Education Resources and Communities 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 overspend as at 31 December 2020 is £833,000 against a budget to date of £19,214,000. The estimated year end position is expenditure of £24,804,000 against a budget of £24,492,000 resulting in an overspend of £312,000.

- (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) 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.

7. CONCLUSION

7.1 That Committee scrutinises and notes the budget position as at 31 December 2020.

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Background Papers: with authors and finance

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