



**REPORT TO: CHILDREN AND YOUNG PEOPLE'S SERVICES COMMITTEE ON
21 NOVEMBER 2018**

**SUBJECT: EDUCATION AND CHILDREN AND FAMILIES REVENUE
BUDGET MONITORING 2018/19 TO 30 SEPTEMBER 2018**

**BY: ACTING CORPORATE DIRECTOR (EDUCATION AND SOCIAL
CARE)**

1. REASON FOR REPORT

- 1.1 To inform the Children and Young People's Services Committee of the budget position for Education and Children and Families Services as at 30 September 2018.
- 1.2 This report is submitted to Council 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 scrutinises and notes the budget position at 30 September 2018.**

3. BACKGROUND

- 3.1 The report highlights those areas of the budget where there is a significant percentage variance identified at 30 September 2018

4. BUDGET POSITION

- 4.1 The spend at 30 September 2018 is £51,844,000 against an overall budget of £99,286,000. The projected spend for 30 September is £52,335,000 giving a variance of £491,000 (1%) as shown in **Appendix 1**.
- 4.2 The variance in Early Learning and Childcare (ELC) Education is £12,000.
- 4.3 The main variance in primary schools and secondary schools relates to devolved school budgets underspends comprising £193,000 in primary schools and £359,000 in secondary schools.
- 4.4 Lifelong Learning, Culture and Sport has an underspend against projected expenditure of £37,000. The main variance affecting this is a £24,000

underspend for library books due to late publishing. This budget is anticipated to be spent by the end of the financial year.

- 4.5 Within the Education Central Services budget there is an underspend of £62,000. This is mainly due to a £77,000 underspend in the central supply budget and £21,000 in the staff advertising budget. This is reduced by £33,000 overspend from Pupil Equity Funding and other minor overspends of £3,000.
- 4.6 The overspend in Integrated Children's Services is £247,000 which is a combination of underspends and overspends. The out of area budget is overspent by £397,000 and Continuing Care is overspent by £13,000. This is partly due to a continuation of last year's overspend and new placements starting this year. This overspend and demand is being actively monitored and considered within a wider commissioning strategy to make best use of available resources. The overspend is reduced by a £56,000 underspend on the children with disabilities residential contract and adoption placements through external providers underspend of £22,000. Criminal Justice has an underspend of £46,000 with the balance being made up of other minor underspends of £39,000.

5. ESTIMATED OUTTURN

- 5.1 The estimated outturn for 2018/19 is £99,899,000 against a budget of £99,286,000 resulting in an estimated overspend for the year of £613,000.
- 5.2 The main variance in Lifelong Learning Cultural and Sport is an underspend on the capital grant to Moray Leisure Limited of £60,000
- 5.3 The main variances in Integrated Children's Services are a projected overspend on Out of Area Placements of £1,000,000 which as stated above is being actively monitored and considered within a wider commissioning strategy. The overspend is reduced by an underspend of £170,000 in the children with disabilities residential contract due to a child transitioning to adult care. The adult has continued to be accommodated in the residential unit leaving beds available and therefore contributing to the Out of Area Placements overspend. There is also a one-off refund of £184,000 from a provider for prior year underspends on a contract.
- 5.4 The variances in Schools and Curriculum Development are due to a projected underspend of £50,000 on central supply, this budget is hard to estimate as it covers maternity and sickness. The staff savings target is projected to come in below budget causing an overspend of £95,000. This is partly due to staff savings taken in 2018/19.

6. SUMMARY OF IMPLICATIONS

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

The Education and Children and Families 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 2018 is £491,000 against a budget of £99,286,000. The estimated year end position is expenditure of £99,899,000 against a budget of £99,286,000 resulting in an overspend of £613,000.

(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 30 September 2018.

Author of Report: Vivienne Cross, Head of Schools and Curriculum Development
Nick Goodchild, Educational Resources Manager
Kathy Henwood, Acting Head of Integrated Children's Services

Background Papers: with authors and finance
Ref: