



**REPORT TO: EDUCATION, CHILDREN'S AND LEISURE SERVICES
COMMITTEE ON 9 MARCH 2022**

**SUBJECT: EDUCATION RESOURCES AND COMMUNITIES REVENUE
BUDGET MONITORING TO 31 DECEMBER 2021**

**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 Resources and Communities as at 31 December 2021.
- 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 scrutinises and notes the budget position at 31 December 2021.**

3. BACKGROUND

- 3.1 The report highlights those areas of the budget where there is a significant percentage variance identified at 31 December 2021.

4. BUDGET POSITION

- 4.1 The spend at 31 December 2021 is £20,275,000 against a budget to date of £20,424,000, giving an underspend of £149,000 as shown in **Appendix 1**.
- 4.2 The COVID-19 pandemic has had a significant impact on income and a £500,000 reduction in the income budget for leisure facilities was approved as part of the budget report to Moray Council 3 March 2021 (para 5 of the minute refers). With this saving implemented there is still a loss of income for leisure and libraries of £59,000 to date this is reduced by an underspend on operational costs of £34,000.

- 4.3 Schools repairs and maintenance and accessibility are underspent by £83,000 at the end of December, the pattern of expenditure in this area is difficult to predict.
- 4.4 Other underspends within the service are Additional Support for Learning training £21,000, library books £18,000 and staff travel across the service £42,000.

5 ESTIMATED OUTTURN

- 5.1 The estimated outturn for 2021/22 is £26,714,000 against a budget of £27,657,000 resulting in an estimated underspend for the year of £943,000.
- 5.2 The Covid pandemic is continuing to have an impact on income with a projected loss for leisure, libraries and music instruction of £140,000 (additional funding for Music Instruction is expected from the Scottish Government). The operational costs associated with the running of the services are anticipated to be £22,000 underspent.
- 5.3 Staff savings from vacancies and appointment below top of scale are anticipated to exceed the budget by £912,000 (4.3% of service staff budget). The staff savings are across the service, with the largest proportion (39%) relating to ASN positions centrally and within schools (including ASN teaching staff and PSAs) where there has been normal staff turnover, some posts have proven difficult to fill, and other centrally managed posts have been held as they under review as part of the wider review of ASN Services. This will be kept under review as we move forward with the ASN Review.
- 5.4 Other anticipated underspends within the service are home tuition £38,000, library books £10,000 and staff travel across the service £45,000.

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 underspend as at 31 December 2021 is £149,000 against a budget to date of £20,424,000. The estimated year end position is expenditure of £26,714,000 against a budget of £27,657,000 resulting in an underspend of £943,000.

- (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 scrutinises and notes the budget position as at 31 December 2021.

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Background Papers: with authors
Ref: SPMAN-1315769894-268/SPMAN-1315769894-269