

# Pecyn Dogfennau Cyhoeddus



Mae'r adroddiad canlynol yn Eitem Wybodaeth ar gyfer y Pwyllgor Craffu Addysg.

- 1 Monitro Cyllideb 2021/22 (Cyfnod 7).



## **EDUCATION SCRUTINY COMMITTEE– INFORMATION ITEM**

**SUBJECT: BUDGET MONITORING 2021/22 (PERIOD 7)**

**REPORT BY: CORPORATE DIRECTOR FOR EDUCATION AND  
CORPORATE SERVICES**

### **1. PURPOSE OF REPORT**

1.1 To inform Members of the projected 2021-22 outturn position for the Directorate of Education and Lifelong Learning (LL) based on the most recent information available.

### **2. SUMMARY**

2.1 The report identifies projected under / overspends currently forecast for 2021-22 (full details attached in Appendix 1).

2.2 In summary the current projected outturn position for Education and Lifelong Learning is an underspend of £973k. The projected outturn position for Corporate Services is an underspend of £917k, consequently overall the projected outturn position for Education and Corporate Services is an underspend of £1,890k.

### **3. RECOMMENDATIONS**

3.1 Members are requested to note the contents of this report.

### **4. REASONS FOR THE RECOMMENDATIONS**

4.1 To ensure that Members are fully informed with regards to the 2021-22 projected revenue spends position for Education & Lifelong Learning.

4.2 The Council Budget is based on the achievement of both expenditure and income targets. In order to ensure that these are met and that the Council's financial integrity is maintained Directors are required to review income and expenditure trends.

## 5. THE REPORT

- 5.1 The report deals with the budget monitoring information for Education and Lifelong Learning (LL). The revenue position for the Directorate is summarised in Appendix 1, with a breakdown split across 3 areas, Schools Related, Education Related and Lifelong Learning (LL) related respectively.
- 5.2 The projected outturn position is based on actual income and expenditure details to the end of October 2021, together with data used to forecast income and expenditure. Account is also taken of the outturn position for previous years and information available following discussions with Managers.
- 5.3 A net underspend of £973k is currently forecast for Education & Lifelong Learning, details are outlined below. The projected outturn position for Corporate Services is an underspend of £917k, consequently overall the projected outturn position for Education and Corporate Services is currently an underspend of £1,890k.
- 5.4 The main variances in Education in excess of £50k relate to the following:

|                                    | £'000<br>(Under / (Over)) |
|------------------------------------|---------------------------|
| Home to School / College Transport | 357                       |
| Pension Costs School Based Staff   | 148                       |
| Psychology Service                 | 54                        |
| Advisory Support Service           | 67                        |
| Vulnerable Learners                | (61)                      |
| Early Years Central Team           | 189                       |
| Youth Service                      | 130                       |
| Net Other (Details in Appendix 1)  | 89                        |
| <hr/>                              |                           |
| Total                              | 973 Underspend            |

- 5.4.1 The projected underspend with regards to transport includes a number of assumptions in relation to contracts, additional demand and grant support from Welsh Government in relation to additional costs for contractor cleaning & PPE linked to covid. This projected underspend has increased by just £6k from the previous update (Budget Monitoring Report – Period 5). Whilst this figure is sizeable, on a transport budget of £7.9m this percentage variance is relatively small.
- 5.4.2 The projected underspend in pension costs for school based staff reflects a positive budget position for schools in academic year 2020-21. This projected underspend has increased by £71k following the most recent update of information.
- 5.4.3 The projected underspend in the Psychology Service is due primarily to a delay in recruitment which has created an in year saving.
- 5.4.4 The budget for our most vulnerable learners includes EOTAS (Educated Other Than At School), Additional Support and Out of County Placements. Whilst this area of spend has been a pressure in recent years, this variance is less than 1% of the budget and includes a number of assumptions based on potential additional demand for support in year. This projection does allow for a level of “new” additional demand prior to the end of the financial year. There is minimal difference to the previous update.

5.4.5 The projected underspend on the Advisory Support Service has increased from £41k to £67k. This is due to longer staffing gaps than previously envisaged in year.

5.4.6 The projected underspend against the Early Years Central Team is largely due to the success of accessing grant funding to support the cost of a number of posts in the Team in this current financial year. The projected underspend has increased by £128k since the previous update and is due to the fact that we are able to support additional posts through grant funding, previously we'd anticipated being able to fund just 1 post.

5.4.7 The projected underspend for the Youth Service is due to a number of small individual variances for staffing, premises and resources costs, plus some additional rental income. The most significant one off variance relates to the finalisation of an insurance claim relating to Cross Keys Youth Centre (following the significant damage and loss of equipment and resources caused by the flooding in February 2020). The final settlement was £82k more than originally estimated. Overall the Youth Service is projecting an underspend of £130k. However there are a couple of uncertainties that we need to be mindful of at this point firstly with regards to the Authority vacating Crumlin Institute (25<sup>th</sup> December 2021), since the position with the Trustees is not fully resolved as yet; plus there are cost implications with regards to work required on the roof at Aberbargoed Youth Centre (The Hanger). The position with the roof is currently under review.

5.4.8 The second Budget Monitoring Report of this financial year (Education for Life Scrutiny on 2<sup>nd</sup> November 2021 - Information Item), projected an underspend for Education and Lifelong Learning of £551k, the movement is an increase of £422k. In summary the significant variances since the November report are as follows:

- Retirement Severance – School Based Staff                      £72k
- Early Years Central Team    £128k
- Youth Service    £130k

5.4.9 It is important to note that this projection excludes a forecasted outturn position for our schools. To advise Members, the Local Authority, including Schools are still able to claim (in line with current guidelines) from the Welsh Government Hardship Fund. It is currently anticipated that this will end March 31<sup>st</sup> 2022.

## 5.5 Progress Made Against the 2021/22 Revenue Budget Savings Targets

5.5.1 The 2021/22 revenue budget settlement for Education and Lifelong Learning included a specific savings target of £28k in relation to a reduction in the Education Achievement Service (EAS) main contract sum. This saving has been achieved in 2021-22.

## 5.6 Conclusion

5.6.1 The projected outturn position for Education and Lifelong Learning is currently an underspend of £973k. The most significant single variance is a projected underspend on the Home to School / College Transport budget (£7.9m) of £357k.

5.6.2 Full details are contained in the body of this Report.

## **6. ASSUMPTIONS**

- 6.1 The projected outturn position is based on actual income and expenditure details to the end of October 2021, together with data used to forecast future income and expenditure. Account is also taken of the outturn position for previous years and information available following discussions with Managers.

## **7. SUMMARY OF INTEGRATED IMPACT ASSESSMENT**

- 7.1 An IIA is not necessary for this Information Only Report.

## **8. FINANCIAL IMPLICATIONS**

- 8.1 In summary, based on information currently available there is projected revenue underspend for Education & Lifelong Learning of £973k. This projection is an underspend on the Education & Lifelong Learning budget of £616k and an underspend on the Home to School / Collage Transport budget of £357k.
- 8.2 In 2021/22, to date, there are a number of one off savings in relation to in year staff vacancy gaps, plus additional support for posts through grant funding.
- 8.3 Overall the current projected outturn position for Education & Corporate Services is an underspend of £1,890k.

## **9. PERSONNEL IMPLICATIONS**

- 9.1 In 2021-22 the Directorate will continue with the strategy of prudent vacancy management.
- 9.2 There are no direct personnel implications arising from this report

## **10. CONSULTATIONS**

- 10.1 There are no consultation responses that have not been reflected in this report.

## **11. STATUTORY POWER**

- 11.1 Local Government Act 1972 and 2000.

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Paul Warren, Strategic Lead for School Improvement  
Cllr Ross Whiting, Cabinet Member for Learning and Leisure  
Cllr Eluned Stenner, Cabinet Member for Performance, Economy and Enterprise  
Cllr Teresa Parry, Chair of Education Scrutiny Committee  
Cllr Carol Andrews, Vice Chair of Education Scrutiny Committee  
Steve Harris, Head of Financial Services & S151 Officer  
Dave Roberts, Interim Finance Manager  
Mike Lewis, Principal Accountant Education  
Julie Baker, Principal Finance Officer (Schools)  
Lynne Donovan, Head of People Services  
Rob Tranter, Head of Legal Services  
Ros Roberts, Business Improvement Officer  
Geraint Roberts, Team Leader Integrated Transport Unit

Appendices:

Appendix 1 Projected Revenue Outturn Figures 2021-22

| <b>EDUCATION &amp; LIFELONG LEARNING</b>                              | <b>Original Estimate<br/>2021-22<br/>£</b> | <b>Estimated<br/>Outturn<br/>2021-22<br/>£</b> | <b>Variance<br/>Under (Over)<br/>2021-22<br/>£</b> |
|---|--|--|--|
| <b><u>SUMMARY</u></b>   |  |  |  |
| <b>SCHOOLS RELATED</b>  | <b>120,795,230</b>                         | <b>120,579,396</b>                             | <b>215,834</b>                                     |
| <b>EDUCATION</b>  | <b>17,313,683</b>                          | <b>17,087,823</b>                              | <b>225,860</b>                                     |
| <b>LIFELONG LEARNING</b>  | <b>3,828,967</b>                           | <b>3,654,913</b>                               | <b>174,054</b>                                     |
| <b>TOTAL SERVICE EXPENDITURE (Revenue)</b>                            | <b>141,937,880</b>                         | <b>141,322,132</b>                             | <b>615,748</b>                                     |
| <b>Home to School / College Transport (Economy &amp; Environment)</b> | <b>7,923,081</b>                           | <b>7,565,927</b>                               | <b>357,154</b>                                     |
| <b>TOTAL SERVICE EXPENDITURE (Revenue)</b>                            | <b>149,860,961</b>                         | <b>148,888,059</b>                             | <b>972,902</b>                                     |
|   |  |  |  |

| <b>EDUCATION &amp; LIFELONG LEARNING</b>                    | <b>Original Estimate<br/>2021-22<br/>£</b> | <b>Estimated<br/>Outturn<br/>2021-22<br/>£</b> | <b>Variance<br/>Under (Over)<br/>2021-22<br/>£</b> |
|---|--|--|--|
| <b><u>SCHOOLS RELATED</u></b>                               |  |  |  |
| <b>Individual Schools Budget</b>                            | <b>118,658,252</b>                         | <b>118,982,392</b>                             | <b>(324,140)</b>                                   |
| <b>Post 16 Initiative (Grant Income)</b>                    | <b>(3,693,650)</b>                         | <b>(4,017,790)</b>                             | <b>324,140</b>                                     |
| <b>Earmarked Formula Funding (inc. Joint Use Sites)</b>     | <b>223,355</b>                             | <b>198,541</b>                                 | <b>24,814</b>                                      |
| <b>Schools LMS Contingencies</b>                            | <b>160,414</b>                             | <b>160,414</b>                                 | <b>0</b>   |
| <b>Other Direct School Related</b>                          |  |  |  |
| Learning Support Staff Registration Fee                     | 20,660                                     | 20,660   | 0  |
| PFI Funding Gap   | 353,013                                    | 353,013  | 0  |
| PFI Building Maintenance                                    | 50,605                                     | 50,605   | 0  |
| Repairs & Maint. 50/50 Scheme (Re-instated)                 | 333,000                                    | 333,000  | 0  |
| School Meal Admin. Utility & Telephone                      | 434,735                                    | 397,949  | 36,786   |
| Relief Supply Cover (Maternity)                             | 710,457                                    | 721,099  | (10,642)   |
| Police Checks   | 62,323                                     | 56,745   | 5,578  |
| Copyright and Licensing (Schools)                           | 72,880                                     | 72,880   | 0  |
| Total Other Direct School Related                           | <b>2,037,673</b>                           | <b>2,005,951</b>                               | <b>31,722</b>                                      |
| <b>Early Years (Rising 3's)</b>                             | <b>857,253</b>                             | <b>845,537</b>                                 | <b>11,716</b>                                      |
| <b>Education Improvement Grant - Match Funding</b>          | <b>645,043</b>                             | <b>645,043</b>                                 | <b>0</b>   |
| <b>Early Retirement Pension Costs of School Based Staff</b> | <b>1,906,890</b>                           | <b>1,759,308</b>                               | <b>147,582</b>                                     |
| <b><u>EXPENDITURE TO DIRECTORATE SUMMARY</u></b>            | <b>120,795,230</b>                         | <b>120,579,396</b>                             | <b>215,834</b>                                     |



| <b>EDUCATION &amp; LIFELONG LEARNING</b>                       | <b>Original Estimate<br/>2021-22<br/>£</b> | <b>Estimated<br/>Outturn<br/>2021-22<br/>£</b> | <b>Variance<br/>Under (Over)<br/>2021-22<br/>£</b> |
|--|--|--|--|
| <b><u>EDUCATION</u></b>  |  |  |  |
| <b>Management &amp; Support Service Costs</b>                  | <b>1,277,466</b>                           | <b>1,294,666</b>                               | <b>(17,200)</b>                                    |
| <b>Social Inclusion</b>  |  |  |  |
| Psychological Service  | 820,574                                    | 766,892  | 53,682   |
| Behaviour Support  | 184,758                                    | 170,674  | 14,084   |
| Education Welfare Service                                      | 372,461                                    | 367,507  | 4,954  |
| Youth Offending Team   | 54,209                                     | 54,209   | 0  |
| Safeguarding & LAC   | 254,507                                    | 254,309  | 198  |
| School Based Counselling                                       | 381,429                                    | 376,071  | 5,358  |
| Total Social Inclusion   | <b>2,067,938</b>                           | <b>1,989,662</b>                               | <b>78,276</b>                                      |
| <b>Additional Learning Needs</b>                               |  |  |  |
| ALN Advisory Support Service                                   | 284,111                                    | 216,902  | 67,209   |
| Professional/Statementing                                      | 295,152                                    | 284,063  | 11,089   |
| Language Support Primary                                       | 428,992                                    | 438,761  | (9,769)  |
| Specialist Resources   | 44,511                                     | 44,511   | 0  |
| ALN Improvement Initiative                                     | 3,463                                      | 3,463  | 0  |
| Childrens Centre   | 34,017                                     | 30,020   | 3,997  |
| SNAP Cymru   | 47,661                                     | 46,925   | 736  |
| Outreach Trinity Fields  | 54,601                                     | 54,601   | 0  |
| Speech Therapy   | 59,854                                     | 57,550   | 2,304  |
| SENCOM (Sensory Service)                                       | 695,322                                    | 695,322  | 0  |
| Autism   | 208,755                                    | 208,755  | 0  |
| Total Additional Learning Needs                                | <b>2,156,439</b>                           | <b>2,080,873</b>                               | <b>75,566</b>                                      |
| <b>Learning Pathways Partnership</b>                           |  |  |  |
| 14 - 19 Initiative (Transport Costs)                           | 132,618                                    | 122,618  | 10,000   |
| Total Learning Pathways Partnership                            | <b>132,618</b>                             | <b>122,618</b>                                 | <b>10,000</b>                                      |
| <b>EOTAS, Additional Support &amp; Out of County Provision</b> | <b>9,774,650</b>                           | <b>9,836,041</b>                               | <b>(61,391)</b>                                    |
| <b>Early Years Provision &amp; Support</b>                     |  |  |  |
| Early Years Central Team                                       | 366,763                                    | 178,145  | 188,618  |
| Total Early Years Provision & Support                          | <b>366,763</b>                             | <b>178,145</b>                                 | <b>188,618</b>                                     |

| <b>EDUCATION &amp; LIFELONG LEARNING</b>                 | <b>Original Estimate<br/>2021-22<br/>£</b> | <b>Estimated<br/>Outturn<br/>2021-22<br/>£</b> | <b>Variance<br/>Under (Over)<br/>2021-22<br/>£</b> |
|--|--|--|--|
| <b>LEI Service Provision</b>                             |  |  |  |
| SACRE  | 2,665                                      | 2,665  | 0  |
| Outdoor Education Advisor SLA                            | 31,024                                     | 31,024   | 0  |
| School Improvement                                       | 75,375                                     | 110,375  | (35,000)   |
| Music Service  | 402,618                                    | 415,627  | (13,009)   |
| WJEC & Subscriptions                                     | 40,536                                     | 40,536   | 0  |
| <b>Total LEI Service Provision</b>                       | <b>552,218</b>                             | <b>600,227</b>                                 | <b>(48,009)</b>                                    |
| <b>Education Achievement Service (EAS)</b>               |  |  |  |
| Contribution to EAS Joint Working                        | 985,591                                    | 985,591  | 0  |
| <b>Total Education Achievement Service</b>               | <b>985,591</b>                             | <b>985,591</b>                                 | <b>0</b>   |
| <b>EXPENDITURE TO DIRECTORATE SUMMARY</b>                | <b>17,313,683</b>                          | <b>17,087,823</b>                              | <b>225,860</b>                                     |
| <b>LIFELONG LEARNING</b>                                 |  |  |  |
| <b>Adult Education</b>                                   | <b>76,739</b>                              | <b>32,906</b>                                  | <b>43,833</b>                                      |
| <b>Youth Service</b>                                     | <b>1,281,073</b>                           | <b>1,150,852</b>                               | <b>130,221</b>                                     |
| <b>Library Service</b>                                   | <b>2,378,812</b>                           | <b>2,378,812</b>                               | <b>0</b>   |
| <b>LLL Insurance &amp; Non Operational Property/Land</b> | <b>92,343</b>                              | <b>92,343</b>                                  | <b>0</b>   |
| <b>EXPENDITURE TO SERVICE SUMMARY</b>                    | <b>3,828,967</b>                           | <b>3,654,913</b>                               | <b>174,054</b>                                     |