

**To: Education and Children’s Services Policy Board**

**On: 17 March 2022**

**Report by: Director of Finance and Resources and Director of Children’s Services**

**Heading: Revenue and Capital Budget Monitoring as at 7 January 2022**

## 1. Summary of Financial Position

- 1.1. The projected Revenue outturn at 31 March 2022 for Children’s Services is an overspend of £0.238m (0.1%) against the revised budget for the year.
- 1.2. The projected Capital outturn at 31 March 2022 for Children’s Services is breakeven against the revised budget for the year.
- 1.3. This is summarised over the relevant service in the table below and further analysis is provided in the Appendices.
- 1.4. For the financial year 2021/22, the projected outturn position is split into Core (or business as usual) and COVID-19 related variances to help readers understand the impact of the pandemic on service finances.

**Table 1: Revenue**

Division	Revised Annual Budget £000	Projected Outturn Core £000	Projected Outturn COVID-19 £000	Total Projected Outturn £000	Budget Variance £000	Budget Variance %
Children’s Services	£219,315	£218,401	£1,152	<b>£219,553</b>	(£238)	(0.1%)

**Table 2: Capital**

Division	Revised Annual Budget £000	Projected Outturn Core £000	Projected Outturn COVID-19 £000	Total Projected Outturn £000	Budget Variance £000	Budget Variance %
Children’s Services	£7,985	£7,985	£0	<b>£7,985</b>	£0	0%

## **2. Recommendations**

Members are requested to:

- 2.1. Note the projected Revenue outturn position for Children's Services detailed in Table 1 above, and further note that the forecast position is based on best estimates and confirmed government support at this point in time; forecasts are likely to be subject to fluctuation as the year progresses.
- 2.2. Note projected Capital outturn position for Children's Services detailed in Table 2 above; and
- 2.3. Note the budget adjustments detailed in sections 4 and 6.

## **3. Children's Services Revenue**

- 3.1. The Revenue Budget Monitoring report at Appendix 1 identifies a projected annual overspend of £0.238m (0.1% of total budget). Detailed division service reports can be found in Appendix 2, along with an explanation of each significant projected variance.
- 3.2. The projected outturn is based on available information and assumptions made by service budget holders as at early January 2022. These assumptions will be refined during the year as more information becomes available. The projected outturn and projected Covid related spend are net of education-specific Covid resource either carried forward from 2020/21 or additional allocations in year of £3.3m; and net of general Covid resource of £1.2m which is underpinning care-related spend.
- 3.3. The main reasons for the projected outturn position are indicated below the tables showing the objective analysis (which division is spending the budget).

## **4. Revenue Budget Adjustments**

- 4.1. Members are requested to note from Appendix 1 that budget adjustments totalling £0.024m have been processed since the last report. These relate to a number of transfers to other services for miscellaneous property repairs, kitchen equipment and disclosure costs, which have been offset by transfers from other services for Families First and Unaccompanied Asylum Seeking Children.

## **5. Children's Services Capital**

- 5.1. The Capital Investment Programme 2021/22 to 2025/26 was approved by the Council on 4<sup>th</sup> March 2021.
- 5.2. The Capital Monitoring report at Appendix 3 indicates changes totalling £0.587m in the approved capital programme for Education and Children's Services. This largely relates to budget carried forward to 2022-23 from 2021-22 for Other School Investment programmes

5.3. Further detail, including reasons for significant variances, can be found at Appendix 3.

## 6. Capital Budget Adjustments

6.1. There have been budget changes totalling £0.587m since the last report:

Budget carried forward from 2021-22 to 2022-23 (£0.587m):

- Primary School Estate Programme (£0.100m) for timing of outstanding work to be completed;
- Other Schools Investment Programmes (£0.487m):
  - To reflect timing of toilet upgrade projects including Trinity High School and Auchenlodment Primary School.

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## Implications of this report

1. **Financial** – The projected budget outturn position for Children’s Services’ Revenue budget is an overspend of £0.238m. Income and expenditure will continue to be monitored closely for the rest of the financial year and, where necessary, steps will be taken to mitigate any overspend including applying flexibility within specific grant funding as permitted by the Scottish Government.

The projected outturn position for Children’s Services’ Capital budget is breakeven. The Capital programme will continue to be monitored closely for the rest of the financial year.

Any changes to current projections in either Revenue or Capital budgets will be reported to the board as early as possible, along with an explanation for the movement.

2. **HR and Organisational Development**  
None directly arising from this report.
3. **Community/Council Planning**  
None directly arising from this report.
4. **Legal**  
None directly arising from this report.
5. **Property/Assets**  
None directly arising from this report.
6. **Information Technology**  
None directly arising from this report.
7. **Equality and Human Rights**

The recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because for example it is for noting only. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.

**8. Health and Safety**

None directly arising from this report.

**9. Procurement**

None directly arising from this report.

**10. Risk**

The potential risk that the Council will overspend its approved budgets for the year will be managed at a Council-wide level by the Chief Executive and Directors.

**11. Privacy Impact**

None directly arising from this report.

**12. Cosla Policy Position**

N/a.

**13. Climate Risk**

None directly arising from this report.

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**List of Background Papers: None**

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**RENFREWSHIRE COUNCIL**  
**REVENUE BUDGET MONITORING STATEMENT 2021/22**  
**1 April 2021 to 7 January 2022**

**POLICY BOARD : EDUCATION & CHILDREN'S SERVICES**

Subjective Summary	Revised Annual Budget at P8	Budget Adjustments	Revised Annual Budget	Projected Outturn Core Business	Projected Outturn COVID-19	Total Projected Outturn	Budget Variance (Adverse) or Favourable		Previous Projected Outturn Variance	Movement
	£000	£000	£000	£000	£000	£000	£000	%	£000	£000
Employees	156,469	234	156,703	154,676	407	155,083	1,620	1.0%	1,243	377
Premises Related	9,075	(13)	9,062	9,986	94	10,080	(1,018)	(11.2%)	(956)	(62)
Transport Related	4,625	30	4,655	5,266	0	5,266	(611)	(13.1%)	(606)	(5)
Supplies and Services	28,573	73	28,646	27,701	210	27,911	735	2.6%	681	55
Third Party Payments	13,924	0	13,924	14,868	433	15,301	(1,377)	(9.9%)	(1,213)	(163)
Transfer Payments	14,781	(299)	14,482	14,761	8	14,769	(287)	(2.0%)	(198)	(89)
Support Services	201	2	203	240	0	240	(37)	(18.1%)	(37)	0
Depreciation and Impairment Losses	0	0	0			0	0	0.0%	0	0
<b>GROSS EXPENDITURE</b>	<b>227,648</b>	<b>27</b>	<b>227,675</b>	<b>227,498</b>	<b>1,152</b>	<b>228,650</b>	<b>(975)</b>	<b>(0.4%)</b>	<b>(1,086)</b>	<b>111</b>
Income	(8,310)	(50)	(8,360)	(9,097)	0	(9,097)	737	8.8%	648	89
<b>NET EXPENDITURE</b>	<b>219,338</b>	<b>(23)</b>	<b>219,315</b>	<b>218,401</b>	<b>1,152</b>	<b>219,553</b>	<b>(238)</b>	<b>(0.1%)</b>	<b>(439)</b>	<b>200</b>

**RENFREWSHIRE COUNCIL**  
**REVENUE BUDGET MONITORING STATEMENT 2021/22**  
**1 April 2021 to 7 January 2022**

**POLICY BOARD : EDUCATION & CHILDREN'S SERVICES**

Objective Summary	Revised Annual Budget at P8	Budget Adjustments	Revised Annual Budget	Projected Outturn Core Business	Projected Outturn COVID-19	Total Projected Outturn	Budget Variance (Adverse) or Favourable		Previous Projected Outturn Variance	Movement
	£000	£000	£000	£000	£000	£000	£000	%	£000	£000
Directorate	616	(15)	601	601	0	601	0	0.0%	0	0
Early learning and childcare	34,904	71	34,975	33,802	16	33,818	1,157	3.3%	1,025	132
Primary	54,850	(9)	54,841	54,413	457	54,870	(29)	(0.1%)	43	(72)
Secondary	75,345	5	75,350	75,104	168	75,272	78	0.1%	137	(59)
ASN (Special) Schools	6,327	(2)	6,325	6,263	55	6,318	7	0.1%	(36)	43
Additional support for learning (ASL)	14,801	(3)	14,798	15,067	0	15,067	(269)	(1.8%)	(355)	86
Psychological services	730	0	730	748	0	748	(18)	(2.5%)	(43)	25
Education development	1,722	0	1,722	1,722	0	1,722	0	0.0%	0	0
Attainment Challenge	(1,071)	(54)	(1,125)	(1,125)	0	(1,125)	0	0.0%	0	0
Facilities management	579	(7)	572	685	23	708	(136)	(23.8%)	(131)	(5)
Child care	30,535	(9)	30,526	31,121	433	31,554	(1,028)	(3.4%)	(1,079)	51
<b>NET EXPENDITURE</b>	<b>219,338</b>	<b>(23)</b>	<b>219,315</b>	<b>218,401</b>	<b>1,152</b>	<b>219,553</b>	<b>(238)</b>	<b>(0.1%)</b>	<b>(439)</b>	<b>201</b>

Objective Heading	Key Reasons for Projected Variance
Directorate	No variances to report.
Early Learning and Childcare	Underspend arises within employee costs and supplies & services, offset by overspends in premises costs and transfer payments.
Primary Schools	Overspend arises within premises costs, transport costs and supplies & services, offset by underspend within employee costs.
Secondary Schools	Underspend arises within employee costs and supplies & services, offset by overspends in premises costs and transport costs.
ASN Schools	Underspend arises within employee costs.
Additional Support for Learning	Overspend relates mainly to transport costs.
Psychological Services	Overspend mainly relates to employee costs.
Education Development	No variances to report.
Facilities Management	Overspend relates to employee costs and premises costs.
Children & Families	Overspend mainly relates to employee costs, premises costs and third party payments, offset by increased income.

RENFREWSHIRE COUNCIL  
CAPITAL INVESTMENT STRATEGY - NON-HOUSING SERVICES  
1st April to 7th January 2022  
POLICY BOARD: EDUCATION & CHILDREN'S SERVICES

Project Title	Prior Years Expenditure to 31/03/2021* £000	Current Year 2021-22						Full Programme - All years			
		Approved Budget 2021-22 £000	Budget Adjustments in 2021-22 £000	Revised Budget 2021-22 £000	Projected Outturn 2021-22 £000	Budget Variance (Adverse) or Favourable		Total Approved Budget to 31-Mar-26 £000	Projected Outturn to 31-Mar-26 £000	Budget Variance (Adverse) or Favourable	
<b>EDUCATION &amp; CHILDREN SERVICES</b>											
Early Years 1,140 Hours Expansion	10,938	3,163	710	3,873	3,873	0	0%	14,812	14,812	0	0%
Primary Schools Estate Programme(SEMP)	42,269	362	267	629	629	0	0%	42,998	42,898	100	0%
Schools Estate Programme (SEMP 2020)	144	5,531	(4,781)	750	750	0	0%	51,250	51,250	0	0%
Other Schools Investment Programmes	20,372	3,606	(1,273)	2,333	2,333	0	0%	25,755	25,455	300	1%
Technology Replacement Strategy ICT	0	400	0	400	400	0	0%	2,000	2,000	0	0%
<b>TOTAL EDUCATION &amp; CHILDREN'S SERVICES BOARD</b>	<b>73,723</b>	<b>13,062</b>	<b>(5,077)</b>	<b>7,985</b>	<b>7,985</b>	<b>0</b>	<b>0%</b>	<b>136,815</b>	<b>136,415</b>	<b>400</b>	<b>0%</b>

\*Rolling programmes have a prior year year expenditure of £0 as the expenditure is not directly linked from one year to the next as a singular project.

Objective Heading	Key Reasons for Projected Variance
Early Years 1,140 Hours Expansion	
Primary Schools Estate Programme(SEMP)	Minor underspends relate to St Paul and St Fergus primary investment projects.
Schools Estate Programme (SEMP 2020)	
Other Schools Investment Programmes	Aftger remedial works at Riverbrae School are completed, a £300k underspend is expected
Technology Replacement Strategy ICT	