

To: Education and Children's Services Policy Board

On: 20 January 2022

Report by: Director of Finance and Resources and Director of Children's Services

Heading: Revenue and Capital Budget Monitoring as at 12 November 2021

1. Summary of Financial Position

- 1.1. The projected Revenue outturn at 31 March 2022 for Children's Services is an overspend of £0.439m (0.2%) against the revised budget for the year.
- 1.2. The projected Capital outturn at 31 March 2022 for Children's Services is an underspend of £0.1m (<1%), 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	£219,338	£218,289	£1,488	£219,777	(£439)	(0.2%)

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	£8,572	£8,472	£0	£8,472	£100	<1%

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 £0.439m (0.2% 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 mid November 2021. 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 £1.3m 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 £0.008m have been processed since the last report. These related to transfers to other services for miscellaneous property works.

5. Children's Services Capital

- 5.1. The Capital Investment Programme 2021/22 to 2025/26 was approved by the Council on 4th March 2021.
- 5.2. The Capital Monitoring report at Appendix 3 indicates changes totalling £0.667m 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 £0.667m since the last report:

Budget carried forward from 2021-22 to 2022-23 (£0.679m):

- Other Schools Investment Programmes (£0.679m):
 - To reflect timing of toilet upgrade projects at Arkleston and Bridge of Weir primary schools (£0.320m);
 - For timing of outstanding work at Riverbrae (£0.359m).

Budget increases in 2021-22 (£0.012m):

- Early Years 1,140 Hours Expansion Programme (£0.012m):
 - For a Contribution from Current Revenue for addition kitchen works in relation to the Glendee Pre Five Extension.

Implications of this report

1. **Financial** – The projected budget outturn position for Children's Services' Revenue budget is an overspend of £0.439m. 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 an underspend of £0.1m. 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.

List of Background Papers: None

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RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2021/22
1 April 2021 to 12 November 2021

POLICY BOARD : EDUCATION & CHILDREN'S SERVICES

Subjective Summary	Revised Annual Budget at P6	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	156,403	66	156,469	154,819	407	155,226	1,243	0.8%	705	538
Premises Related	9,107	(32)	9,075	9,937	94	10,031	(956)	(10.5%)	(577)	(379)
Transport Related	4,623	2	4,625	5,231	0	5,231	(606)	(13.1%)	(613)	7
Supplies and Services	28,303	270	28,573	27,686	206	27,892	681	2.4%	387	294
Third Party Payments	13,924	0	13,924	14,364	773	15,137	(1,213)	(8.7%)	(1,127)	(86)
Transfer Payments	14,869	(88)	14,781	14,971	8	14,979	(198)	(1.3%)	(204)	6
Support Services	200	1	201	238	0	238	(37)	(18.2%)	(1)	(35)
Depreciation and Impairment Losses	0	0	0			0	0	0.0%	0	0
GROSS EXPENDITURE	227,429	219	227,648	227,246	1,488	228,734	(1,086)	(0.5%)	(1,430)	344
Income	(8,083)	(227)	(8,310)	(8,958)	0	(8,958)	648	7.8%	547	101
NET EXPENDITURE	219,346	(8)	219,338	218,289	1,488	219,777	(439)	(0.2%)	(884)	445

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2021/22
1 April 2021 to 12 November 2021

POLICY BOARD : EDUCATION & CHILDREN'S SERVICES

Objective Summary	Revised Annual Budget at P6	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	629	(13)	616	616	0	616	0	0.0%	0	0
Early learning and childcare	34,906	(2)	34,904	33,863	16	33,879	1,025	2.9%	1,001	24
Primary	54,799	51	54,850	54,350	457	54,807	43	0.1%	(54)	97
Secondary	75,316	29	75,345	75,044	164	75,208	137	0.2%	54	83
ASN (Special) Schools	6,344	(17)	6,327	6,308	55	6,363	(36)	(0.6%)	(28)	(8)
Additional support for learning (ASL)	14,801	0	14,801	15,156	0	15,156	(355)	(2.4%)	(800)	445
Psychological services	730	0	730	773	0	773	(43)	(5.9%)	(25)	(18)
Education development	1,723	(1)	1,722	1,722	0	1,722	0	0.0%	0	0
Attainment Challenge	(1,029)	(42)	(1,071)	(1,071)	0	(1,071)	0	0.0%	0	0
Facilities management	591	(12)	579	687	23	710	(131)	(22.6%)	(131)	0
Child care	30,536	(1)	30,535	30,841	773	31,614	(1,079)	(3.5%)	(901)	(178)
NET EXPENDITURE	219,346	(8)	219,338	218,289	1,488	219,777	(439)	(0.2%)	(884)	445

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	Underspend arises within employee costs, offset by overspends in premises costs, transport costs and supplies & services.
Secondary Schools	Underspend arises within employee costs and supplies & services, offset by overspends in premises costs and transport costs.
ASN Schools	Overspend relates to employee costs and premises 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 12th November 2021
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	
EDUCATION & CHILDREN SERVICES											
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	367	729	629	100	14%	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	(786)	2,820	2,820	0	0%	25,555	25,255	300	1%
Technology Replacement Strategy ICT	0	400	0	400	400	0	0%	2,000	2,000	0	0%
TOTAL EDUCATION & CHILDREN'S SERVICES BOARD	73,723	13,062	(4,490)	8,572	8,472	100	1%	136,615	136,215	400	0%

*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	