

Education, Children and Families Committee

10.00am, Tuesday, 31 January 2023

Revenue Monitoring 2022/23 – month eight position

Executive/routine Wards Council Commitments	Routine City-wide
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1. Recommendations

- 1.1.1 Members of the Education, Children and Families Committee are asked to:
note the estimated net residual budget pressure of £2.0m at month eight

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Report

Revenue Monitoring 2022/23 – month eight position

2. Executive Summary

- 2.1 The report sets out the projected month eight revenue monitoring position for Education and Children's Services, based on analysis of actual income and expenditure to end of October 2022, and projections for the remainder of the year.
- 2.2 A review of pressures and savings within the budget indicates a projected net pressure of £2.0m, after assumed corporate provisions for continuing COVID impacts on the service. This represents a favourable movement of £2.0m from the position reported to Committee in November.
- 2.3 The Executive Director of Education and Children's Services is fully committed to making all efforts to identify management action to reduce the projected net pressure.

3. Background

- 3.1 The total 2022/23 net budget for Education and Children's Services is £434m.
- 3.2 This report sets out the projected monitoring position for Education and Children's Services revenue expenditure budget for 2022/23, based on analysis of known pressures and mitigating savings identified to date.

4. Main report

Overall Position

- 4.1 Education and Children's Services is projecting net budget pressures of £2.0m at month eight.

4.2 Forecast Pressures and Savings

Significant pressures of £2.0m continue to be incurred in Children's accommodated services, including out-of-council residential and secure accommodation, reflecting increases in the numbers of young people being supported across the service.

Home to school transport is also subject to continued pressures of £1.9m relating to the delivery of the transport review and costs for additional routes which were put in place in response to Covid.

The forecast also includes a small variance relating to an element of uninsured costs following the settlement of the insurance claim for the fire at Liberton Primary School in February 2020. Forecast pressures are currently partially offset through one off mitigations elsewhere within the directorate, including vacancy controls.

4.3 **COVID related provisions**

Council has allocated provision within the budget for the anticipated continuing impact of the pandemic in respect of increased service expenditure, or reductions in income. This provision currently includes assumed reductions in income for the Council's outdoor centres, community access to schools and adult education programme.

- 4.4 The Executive Director of Education and Children's Services is fully committed to continuing to deliver mitigations to reduce the existing pressures, and to identify and implement management actions required to address these.

5. Next Steps

- 5.1 Work is ongoing to identify mitigating measures to manage financial risks and take timely remedial action, where any further adverse variances become apparent.

6. Financial impact

- 6.1 The report highlights a projected net budget pressure of £2.0m for 2022/23. This position is subject to active monitoring, management of risks and identification of further mitigation.

7. Stakeholder / Community Impact

- 7.1 There is no direct relevance to the report's contents. The Council undertook a budget engagement exercise when developing the 2022/23 revenue budget.
- 7.2 There is no direct relevance of the report's contents to impacts on carbon, adaptation to climate change and sustainable development. The Council's revenue budget includes expenditure impacting upon carbon, adaptation to climate change and contributing to sustainable development. In addition, all budget proposals are now subject to an upfront assessment across these areas.

8. Background reading / external references

8.1 None

9. Appendices

9.1 None