

Education, Children and Families Committee

10.00am, Tuesday, 20 September 2022

Revenue Monitoring 2022/23 – month three position

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

- 1.1 The Education, Children and Families Committee is asked to:
 - 1.1.1 note the estimated net residual budget pressure of £2.5m at month three
 - 1.1.2 note that a further update will be provided to Committee later in the year on the month six position

Amanda Hatton

Executive Director of Education and Children's Services

Contact: Douglas Pirie, Principal Accountant

E-mail: douglas.pirie@edinburgh.gov.uk | Tel: 0131 529 7227

Report

Revenue Monitoring 2022/23 – month three position

2. Executive Summary

- 2.1 The report sets out the projected month three revenue monitoring position for Education and Children's Services, based on analysis of actual income and expenditure to end of June 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 £2.5m, after assumed corporate provisions for continuing COVID impacts on the service.
- 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.
- 2.4 A further update will be provided to Committee at the December meeting

3. Background

- 3.1 The total 2022/23 net budget for Education and Children's Services is £450.3m.
- 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 £2.5m at month three.

4.2 **Forecast Pressures and Savings**

Significant pressures continue to be incurred in Children's accommodated services (£1.9m), including out-of-council residential and secure accommodation, reflecting increases in the numbers of young people being accommodated during Covid. Capacity issues within CEC accommodation and restrictions on the ability to move young people from their current placements has impacted on progress in reducing pressures within the budget. Home to school transport is also subject to continued pressures (£1.2m) relating to the delivery of the transport review and costs for additional routes which were put in place in response to Covid. Routes will be reviewed following the start of the new school term, and any changes in the current forecast will be reported as part of the month six update. Forecast pressures are currently partially mitigated through savings elsewhere within the directorate (£0.6m), including vacancy control.

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 £2.5m 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 2021/22 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