

# Education, Children and Families Committee

10.00am, Tuesday, 15 November 2022

## Revenue Monitoring 2022/23 – month five position

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

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- 1.1 Members of the Education, Children and Families Committee are asked to:
  - 1.1.1 note the estimated net residual budget pressure of £4.0m at month five
  - 1.1.2 note that a further update will be provided to Committee later in the year detailing the month 9 position

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Executive Director of Education and Children's Services

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# Report

## Revenue Monitoring 2022/23 – month five position

### 2. Executive Summary

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- 2.1 The report sets out the projected month five revenue monitoring position for Education and Children's Services, based on analysis of actual income and expenditure to end of August 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 £4.0m, after assumed corporate provisions for continuing COVID impacts on the service. This represents an increase of £1.5m from the position reported to Committee in September.
- 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 later in the year detailing the month 9 position

### 3. Background

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- 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

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#### Overall Position

- 4.1 Education and Children's Services is projecting net budget pressures of £4.0m at month five.

## 4.2 Forecast Pressures and Savings

Significant pressures continue to be incurred in Children's accommodated services (£2.4m), including out-of-council residential and secure accommodation, reflecting continuing increases in the numbers of young people being supported across the service. Capacity issues continue to impact on the ability to free up places to return young people to the Council's care, and reduce 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 are being reviewed following the start of the new school term, including the impact of under 22 free bus travel, and any changes in the current forecast will be reported as part of the month eight update.

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 mitigated through savings elsewhere within the directorate , 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

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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

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6.1 The report highlights a projected net budget pressure of £4.0m for 2022/23. This position is subject to active monitoring, management of risks and identification of further mitigation.

## 7. Stakeholder / Community Impact

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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**

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- 8.1 None

## **9. Appendices**

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- 9.1 None