

# Education, Children and Families

10.00am, Tuesday, 5 September 2023

## Revenue Monitoring 2023/24 – month three report

Executive/routine  
Wards

Routine  
City Wide

### 1. Recommendations

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- 1.1 The Education, Children and Families Committee is asked to:
  - 1.1.1 Note the estimated net residual budget pressure of £5.5m at month three.
  - 1.1.2 A further update report will be provided to Committee later in the year on the month six position.

**Amanda Hatton**

Executive Director of Children, Education and Justice Services

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# Report

## Revenue Monitoring 2023/24 – month three report

### 2. Executive Summary

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- 2.1 The reports sets out the projected month three revenue monitoring position for Children, Education and Justice Services, based on review of expenditure and income to end of June 2023, and projections for the remainder of the year.

### 3. Background

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- 3.1 The total 2023/24 net budget for Children, Education and Justice Services is £449.5m.
- 3.2 This report sets out the projected revenue monitoring position for 2023/24, based on analysis of known pressures and mitigating savings identified to date.

### 4. Main report

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#### Overall Position

- 4.1 Children, Education and Justice Services is projecting a net budget pressure of £5.5m at month three.

#### Forecast Pressures and Mitigation

- 4.2 Significant gross elements of pressure within the forecast include £3.0m in Children's Services for residential and secure accommodation. While numbers in external residential accommodation are decreasing this remains above budgeted levels and placement costs continue to increase.
- 4.3 Pressures of £2.5m are also forecast within Home to school transport, primarily reflecting the combined impact of growing service demand, contract inflation and shortfalls against previously approved savings targets. A further reduction of £6.0m in ringfenced Scottish Government funding for Early Years following the transition to a fully needs-based allocation methodology has contributed to in-year pressure of £3.5m. Shortfalls against approved savings of £0.8m are also reflected in the forecast.

- 4.4 At this stage, anticipated net mitigations across the wider service of £4.3m have been identified, comprising a £1.8m allocation from the £5m Council-wide inflationary contingency approved as part of the 2023/24 budget and £2.5m of non-recurring service underspends, resulting in an overall £5.5m residual pressure.
- 4.5 The Executive Director of Children, Education and Justice Services is fully committed to making all efforts to identify management action to reduce the projected net pressure.
- 4.6 A further update will be provided to Committee at the November meeting.

## **5. Next Steps**

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- 5.1 Work is ongoing to identify mitigating measures to manage financial risks and take 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 £5.5m for 2023/24. This position is subject to active monitoring, management of risks and identification of further mitigation.

## **7. Equality and Poverty Impact**

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- 7.1 There are no direct relevant impacts arising from the report's contents.

## **8. Climate and Nature Emergency Implications**

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- 8.1 There are no direct relevant impacts arising from the report's contents.

## **9. Risk, policy, compliance, governance and community impact**

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- 9.1 There are no direct relevant impacts arising from the report's contents.

## **10. Background reading/external references**

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- 10.1 None

## **11. Appendices**

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- 11.1 None