

Meeting of:	<b>Learning and Culture Scrutiny Committee</b>
Date of Meeting:	<b>Thursday, 18 July 2019</b>
Relevant Scrutiny Committee:	Learning and Culture
Report Title:	<b>Revenue and Capital Monitoring for the Period 1st April to 31st May 2019</b>
Purpose of Report:	To advise Scrutiny Committee of the progress relating to revenue and capital expenditure for the period 1st April to 31st May 2019
Report Owner:	Report of the Director of Learning and Skills
Responsible Officer:	Carys Lord Head of Finance/ Section 151 officer
Elected Member and Officer Consultation:	Each Scrutiny Committee will receive a monitoring report on their respective areas. This report does not require Ward Member consultation
Policy Framework:	This report is for executive decision by the Cabinet
<p>Executive Summary:</p> <ul style="list-style-type: none"> <li>• The revenue position for 2019/20 is challenging with a savings target for the year being set at £162k excluding schools.</li> <li>• The capital budget has been set at £46.4m.</li> </ul>	

## Recommendations

1. That Scrutiny Committee consider the position with regard to the 2019/20 revenue and capital budgets
2. That virements required in the Learning and Skills directorate as a result of the management reorganisation are noted.

## Reasons for Recommendations

1. That Members are aware of the projected revenue outturn for 2019/20.
2. To align the budget with the new management structure with the Learning and Skills directorate.

## 1. Background

- 1.1** On 8th March 2019, Council approved the Revenue Budget for 2019/20, minute no 835 and Council on 27th February 2019 approved the Capital Programme for 2019/20 onwards, minute number 780

## 2. Key Issues for Consideration

- 2.1** The Learning and Skills Directorate have a planned draw down from reserves for the year. The Directorate has been requested to look at ways of mitigating a projected overspend of £210k relating to Additional Learning Needs.

Directorate/Service	2019/20	2019/20	Variance
	Original Budget	Projected	(+)Favourable (-) Adverse
	£000	£000	£000
Schools	87,896	87,896	0
Strategy, Culture, Community Learning & Resources	11,110	11,110	0
Directors Office	234	234	0
Achievement for All	5,339	5,549	-210
Additional Savings to be Found	0	(210)	+210
School Improvement	1,030	1,030	0
<b>Total</b>	<b>105,609</b>	<b>105,609</b>	<b>0</b>

**2.2** The Directorate has undergone a senior management restructure as reported to Cabinet on 17th December 2018, resulting in the establishment of a new Head of Standards and Provision and the re-designation of the Head of Achievement for All to Head of Additional Learning Needs and Well-being. The budget headings need to be re-aligned to reflect the new responsibilities as outlined in the Cabinet report and corresponding budget virements are identified in the table below. In addition, a £90,000 budget virement was made from the delegated Schools budget to the central education budget to fund the increase in pupils requiring hospital and home tuition for medical reasons. These virements have not been included in the table above.

	<b>Original Budget £000</b>	<b>Virement £000</b>	<b>Amended Budget £000</b>
Schools	87,896	(90)	87,806
Strategy Community Learning and Resources	11,110	18	11,128
Directors Office	234	(9)	225
Achievement for All	5,339	(5,339)	0
School Improvement	1,030	(1,030)	0
Additional Learning Needs and Wellbeing	0	2,380	2,380
Standards and Provision	0	4,070	4,070
<b>TOTAL</b>	<b>105,609</b>	<b>0</b>	<b>105,609</b>

**2.3** Schools - The delegated budget relating to schools is expected to balance as any under/over spend is carried forward by schools.

**2.4** Strategy, Culture, Community Learning & Resources - It is anticipated that this area will outturn at budget in the current financial year after a planned transfer from the Schools Rationalisation reserve of £136k to fund on going safeguarding and salary protection costs in relation to the transformation of secondary schools in Barry.

**2.5** Achievement for All - The Additional Learning Needs and Wellbeing service is facing significant pressures due to the increase in children and young people with complex needs. This is placing huge pressure on current in-county provision which is over capacity. It has been necessary to create additional places by enhancing current provision in order to meet demand, particularly for those children with complex social emotional and mental health difficulties. These children and young people require specialist placements in small groups with very high levels of adult support. The estimated cost of establishing this provision in the current financial year is estimated at £210k, which would be funded from within the schools formula in future years. This is high cost

provision but is cost effective as it minimises the necessity for very high cost out of county placements.

- 2.6** At this early stage of the year it is anticipated that other areas of the directorate will outturn within budget.

## **2019/20 Savings Targets**

- 2.7** As part of the Final Revenue Budget Proposals for 2019/20, a savings target of £162k was set for this Directorate, excluding schools. Attached at Appendix 1 is a statement detailing the savings targets for 2019/20. It is anticipated that all savings will be achieved this year.

## **Capital**

- 2.8** Appendix 2 details financial progress on the Capital Programme as at 31st May 2019.
- 2.9** Members should be aware that Appendix 2 includes requests for unspent committed expenditure to be slipped from the 2018/19 Capital Programme into 2019/20 as approved by emergency powers on 20th June 2019.
- 2.10** Catering Trailer - Emergency powers have been used to increase the 2019/20 Capital Programme by £46k to purchase a trailer for the Catering service, which will be funded from the Catering reserve.
- 2.11** Gwenfo Primary Extension - Following tendering, based on the lowest compliant tender received and all known associated costs, the budget for this scheme had a shortfall of £6k. In order to progress these works, the school governing body have agreed to contribute £6k. However if the final cost of the scheme is below the budgeted level then funds up to the value of £6k will be returned to the school. Emergency Powers have been used to increase the 2019/20 scheme by £6k.
- 2.12** Additional Welsh Government Education Asset Renewal - During March 2019, Welsh Government issued a grant to the Council providing additional capital funding of £1.765m for schools. The grant was used in 2018/19 to fund existing capital schemes with the displaced funding being held in a reserve to be used in 2019/20 for investment in the improvement of schools. Emergency Powers have been used to increase the capital programme by £1.765m. A list of schemes are included in Appendix 2.
- 2.13** Gladstone Primary Vehicle - The school has purchased a minibus at a cost of £11k. It has been requested that the Capital Programme be increased accordingly with a revenue contribution from the school.
- 2.14** Childcare Offer Capital Grant (COCG) - Cabinet were advised on 4th March 2019 that the Council had been awarded a Welsh Government grant of £1.840m to cover the period 2019/20 to 2020/21, to enable support to provide sufficient childcare places to meet demand generated by the Childcare offer. Welsh Government have now provided the Council with an additional £100k to supplement the £90k previously approved for the Small Grant Scheme. It has been proposed that the sum is included in the 2020/21 Capital Programme.

### **3. How do proposals evidence the Five Ways of Working and contribute to our Well-being Objectives?**

- 3.1** The revenue budget has been set in order to support services in the delivery of the Council's Well-being objectives. It is therefore important for expenditure to be monitored to ensure that these objectives are being delivered.
- 3.2** The revenue budget has been set and is monitored to reflect the 5 ways of working.
- 3.3** **Looking to the long term** - The setting of the revenue budget requires planning for the future and takes a strategic approach to ensure services are sustainable and that future need and demand for services is understood.
- 3.4** **Taking an integrated approach** - The revenue budgets include services which work with partners to deliver services e.g. Health via ICF.
- 3.5** **Involving the population in decisions** – As part of the revenue budget setting process there has been engagement with residents, customers and partners.
- 3.6** **Working in a collaborative way** – The revenue budgets include services which operate on a collaborative basis e.g. Shared Regulatory Service, Vale Valleys and Cardiff Adoption Service.
- 3.7** **Understanding the root cause of issues and preventing them** – Monitoring the revenue budget is a proactive way of understanding the financial position of services in order to tackle issue at the source as soon as they arise.

### **4. Resources and Legal Considerations**

#### **Financial**

- 4.1** As detailed in the body of the report.

#### **Legal (Including Equalities)**

- 4.2** There are no legal implications.

### **5. Background Papers**

None



Service	Title & Description	2019/20
<b>LEARNING AND SKILLS</b>		
<b>Strategy, Culture, Community Learning &amp; Resources</b>		
Third Party Spend	Savings from external procurement	103
<b>Total Strategy, Culture, Community Learning &amp; Resources</b>		<b>103</b>
<b>Achievement for All</b>		
Third Party Spend	Savings from external procurement	30
<b>Total Achievement for All</b>		<b>30</b>
<b>School Improvement</b>		
Consortium	Saving from contribution to Central South Consortium	29
<b>Total School Improvement</b>		<b>29</b>
<b>TOTAL LEARNING AND SKILLS</b>		<b>162</b>

**CAPITAL MONITORING  
FOR THE PERIOD ENDED 31st MAY 2019**

PROFILE TO DATE	ACTUAL SPEND 2019/20		APPROVED PROGRAMME 2019/20	PROJECTED OUTFURN 2019/20	VARIANCE AT OUTFURN 2019/20	PROJECT SPONSOR	COMMENTS
£000	£000		£000	£000	£000		
		<b>Directorate of Learning and Skills</b>					
		<b>Education &amp; Schools</b>					
0	0	Llantwit Major Learning Community	86	86	0	P Ham	£86k slippage approved via emergency powers. Scheme complete but some additional works outstanding
0	0	Romilly Primary	8	8	0	P Ham	Complete except snagging
137	137	Band B Ysgol Gymraeg Bro Morgannwg	5,305	5,305	0	P Ham	£200k slippage approved via emergency powers for continuation of the 21st Century schools programme Band B
271	271	Band B Whitmore High school	8,430	8,430	0	P Ham	£33k slipped back to 2018/19 approved via emergency powers
0	0	Band B Pencoedtre High school	7,235	7,235	0	P Ham	£282k slippage approved via emergency powers for continuation of the 21st Century schools programme Band B
0	0	Band B Centre of Learning & Wellbeing	1,094	1,094	0	P Ham	£135k slippage approved via emergency powers for continuation of delivering the 21st Century schools programme.
0	0	Band B Ysgol Y Deri	5,500	5,500	0	P Ham	21st Century schools programme Band B
0	0	Band B Schemes Waterfront	3,998	3,998	0	P Ham	£21k slippage approved via emergency powers for continuation of delivering the 21st Century schools programme.
0	0	Band B Schemes Primary Provision in the Western Vale	2,328	2,328	0	P Ham	£4k slippage approved via emergency powers for continuation of delivering the 21st Century schools programme.
0	0	Band B Schemes St Davids Primary School	4,184	4,184	0	P Ham	£3k slippage approved via emergency powers for continuation of delivering the 21st Century schools programme.
0	0	Band B Schemes St Nicholas Primary School	799	799	0	P Ham	21st Century schools programme Band B
8	8	Band B Preparatory Works Changing Rooms etc.	57	57	0	P Ham	£57k slippage approved via emergency powers for finalisation of account
0	0	Ysgol Bro Morgannwg Renew Sewage Pumps	91	91	0	P Ham	£6k slippage approved via emergency powers. To be tendered as part of Band B scheme in 19/20
0	0	Holton Road Primary Electrical Rewire Phase 2	3	3	0	P Ham	£3k slippage approved via emergency powers for finalisation of account
0	0	Pupil Referral Unit, KS4, Y Daith, Fire Precaution Works	10	10	0	P Ham	£10k slippage approved via emergency powers for continuation of works
0	0	St Illtyd Primary Fire Precaution Works	17	17	0	P Ham	£17k slippage approved via emergency powers for continuation of works
0	0	St Richard Gwyn R/C High Boiler Upgrade	4	4	0	P Ham	£4k slippage approved via emergency powers for continuation of works
0	0	Y Bont Faen Primary Flat Roof Renewal Phase 1	104	104	0	P Ham	£4k slippage approved via emergency powers. Planned start Easter 2019
29	29	Ysgol Pen Y Garth Electrical Rewire Phase 1	40	40	0	P Ham	Phase 2 of the whole school rewire
0	0	Asbestos Removal	14	14	0	P Ham	£4k slippage approved via emergency powers for further inspections and Asbestos removal.
0	0	Radon Monitoring	28	28	0	P Ham	£8k slippage approved via emergency powers for continuation of works
128	128	St Josephs Nursery and EIB	1,039	1,039	0	P Ham	£176k slippage approved via emergency powers and works due for completion Autumn 19
0	0	Llansannor Extension	110	110	0	P Ham	£5k slippage approved via emergency powers for continuation of works.
0	0	Ty Deri	175	175	0	P Ham	£175k slippage approved via emergency powers for finalisation of account.
0	0	Childcare Offer Capital Grant	1,380	1,380	0	P Ham	Scheme to be delivered over 2 years to address childcare
98	98	Wick Primary Nursery and Remodel of Building	574	574	0	P Ham	£574k slippage approved via emergency powers for continuation of works. Due for completion August 2019
0	0	Gwenfo Primary Extension	77	77	0	P Ham	£1k slippage approved via emergency powers for continuation of works. Increased scheme by £6k funded by a contribution from School
0	0	St Richard Gwyn R/C High Window Renewal Phase 1	8	8	0	P Ham	£8k slippage approved via emergency powers for continuation of works
0	0	Education Asset Renewal - Contingency	80	80	0	P Ham	£30k slippage approved via emergency powers. Contingency budget.
0	0	Peterston Super Ely Primary Roof	350	350	0	P Ham	Tenders have been received and contract will be let shortly
0	0	Security	50	50	0	P Ham	In discussions with schools regarding requirements
0	0	Disability Access	20	20	0	P Ham	In discussions with schools regarding requirements
0	0	Ysgol Pen Y Garth Pitched Roof	65	65	0	P Ham	Designing scheme
0	0	Ysgol Gwaun Y Nant Boiler renewal	115	115	0	P Ham	Scheme to be undertaken during summer holidays
0	0	Jenner Park Primary Electrical Rewire	70	70	0	P Ham	Scheme to be undertaken during summer holidays
0	0	Romilly Primary Canteen Roof	40	40	0	P Ham	Scheme to be undertaken during summer holidays
0	0	Oakfield/Ysgol Gwaun Y Nant Community Garden Project	2	2	0	M Goldsworthy	£2k slippage approved via emergency powers for smaller projects being undertaken in 1920.
0	0	Cowbridge Comprehensive school Block A Boilers	4	4	0	P Ham	£4k slippage approved via emergency powers for finalisation of account
0	0	Dinas Powys Primary -External learning area and internal alterations	57	57	0	P Ham	Work to commence during summer holidays



PROFILE TO DATE	ACTUAL SPEND 2019/20		APPROVED PROGRAMME 2019/20	PROJECTED OUTTURN 2019/20	VARIANCE AT OUTTURN 2019/20	PROJECT SPONSOR	COMMENTS
£000	£000		£000	£000	£000		
0	0	<b>Additional WG Education Asset Renewal Funding</b>					
0	0	All Saints Primary-WC Refurb	40	40	0	P Ham	Scheme to be undertaken in September
0	0	All Saints Primary -Rewire	100	100	0	P Ham	Scheme to be undertaken during summer holidays
0	0	Barry Island Primary -WC Refurb	40	40	0	P Ham	Scheme to be undertaken during summer holidays
0	0	Cogan Nursery- Flat Roof renewal	80	80	0	P Ham	Scheme to be undertaken during summer holidays
0	0	Colcot Primary- Fire Alarm & Electrical upgrade	60	60	0	P Ham	Scheme to be undertaken during summer holidays
0	0	Evenlode Primary -WC Refurb	30	30	0	P Ham	Scheme to be undertaken during summer holidays
0	0	Gladstone Primary- Boundary walls/fencing	25	25	0	P Ham	Scheme to be undertaken during summer holidays
0	0	High Street Primary-Rewire	90	90	0	P Ham	Scheme to be undertaken during summer holidays
0	0	Holton Road Primary- Boiler renewal	10	10	0	P Ham	Scheme to be undertaken during summer holidays
0	0	Jenner park primary- Boiler renewal	115	115	0	P Ham	Scheme to be undertaken during summer holidays
0	0	Jenner park primary- rewire KS2 first floor	90	90	0	P Ham	Scheme to be undertaken during summer holidays
0	0	Llandough Primary- Rewire	90	90	0	P Ham	Scheme to be undertaken during summer holidays
0	0	Llangan Primary-Windows	40	40	0	P Ham	Scheme to be undertaken during summer holidays
0	0	Pendoylan Primary- Windows	10	10	0	P Ham	Scheme to be undertaken during summer holidays
0	0	Rhws Primary- Kitchen Boiler house renewal	95	95	0	P Ham	Scheme to be undertaken during summer holidays
0	0	Rhws Primary- lower Boiler house renewal	85	85	0	P Ham	Scheme to be undertaken during summer holidays
0	0	Romilly Primary- Boundary walls/fencing	45	45	0	P Ham	Scheme to be undertaken during summer holidays
0	0	St Athan primary- WC refurb	40	40	0	P Ham	Scheme to be undertaken in September
0	0	St Athan primary-Boiler	130	130	0	P Ham	Scheme to be undertaken during summer holidays
0	0	St Helens primary-WC refurb (KS1)	30	30	0	P Ham	Scheme to be undertaken during summer holidays
0	0	St Josephs primary -Classroom refurbishment	260	260	0	P Ham	Scheme to be undertaken during summer holidays
0	0	Sully Primary- WC refurb (KS2) year3	40	40	0	P Ham	Scheme to be undertaken during summer holidays
0	0	Y Bont Faen primary-Drainage, lighting & Heating up	25	25	0	P Ham	Scheme to be undertaken during summer holidays
0	0	Ysgol Pen Y Garth-Roof renewal P2	165	165	0	P Ham	Scheme to be undertaken during summer holidays
0	0	Schools IT Loans	392	392	0	P Ham	£192k slippage approved via emergency powers. Cost of IT equipment to be reimbursed by the school.
0	0	<b>Slippage</b>		0			
0	0	Legionella Control	7	7	0	P Ham	£7k slippage approved via emergency powers for further works to be undertaken
0	0	St Cyres Lower School Marketing & Disposal	6	6	0	P Ham	£6k slippage approved via emergency powers for finalisation of account, to project manage closure of the sale contract.
82	82	Victorian Schools	601	601	0	P Ham	£1k slippage approved via emergency powers. Works progressing
0	0	Ysgol Iolo Morgannwg Boiler Renewal	6	6	0	P Ham	£6k slippage approved via emergency powers for continuation of works.
0	0	Holton Primary Electrical Rewire Phase 1	1	1	0	P Ham	£1k slippage approved via emergency powers. Scheme complete, funding to settle final account.
0	0	Fairfield Nursery Adaptions	2	2	0	P Ham	£2k slippage approved via emergency powers. Scheme complete, funding to settle final account.
0	0	Disabled Access Improvement	17	17	0	P Ham	£1k slippage requested via emergency powers to carry out further works during summer holidays
0	0	Penarth Learning Community	9	9	0	P Ham	£9k slippage approved via emergency powers for works to be carried out May/June 2019.
3	3	Fire Precaution Works	4	4	0	P Ham	£4k slippage approved via emergency powers for continuation of works.
<b>756</b>	<b>756</b>		<b>46,331</b>	<b>46,331</b>	<b>0</b>		
		<b>Catering Service</b>					
0	0	Catering Trailer	46	46	0	P Ham	New catering trailer funded by Catering reserve
0	0	Jenner Park Water Boiler	3	3	0	P Ham	£3k slippage approved via emergency powers for finalisation of account.
		<b>Library Service</b>					
0	0	Barry Library Boilers	31	31	0	P Ham	£31k slippage approved via emergency powers for finalisation of account.
<b>756</b>	<b>756</b>	<b>Total Directorate of Learning and Skills</b>	<b>46,411</b>	<b>46,411</b>	<b>0</b>		