

Meeting of:	Learning and Culture Scrutiny Committee
Date of Meeting:	17/10/2019
Relevant Scrutiny Committee:	Learning and Culture
Report Title:	Revenue and Capital Monitoring for the Period 1st April to 31st August 2019
Purpose of Report:	To advise Scrutiny Committee of the progress relating to revenue and capital expenditure for the period 1st April to 31st August 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"> • The revenue position for 2019/20 is challenging with a savings target for the year being set at £162k excluding schools. • The currently approved capital budget has been set at £46.7m. 	

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 is being requested to look at ways of mitigating a projected overspend of £538k this year. This is after a planned draw down from reserves of £136k.

	2019/20	2019/20	Variance
Directorate/Service	Original Budget	Projected	(+)Favourable (-) Adverse
	£000	£000	£000
Schools	87,806	87,806	0
Strategy, Culture, Community Learning & Resources	11,128	11,160	(32)
Directors Office	225	225	0
Additional Learning Needs & Wellbeing	2,380	2,948	(568)
Standards and Provision	4,070	4,008	+62
Additional Savings to be Found	0	(538)	+538
Total	105,609	105,609	0

- 2.2** Schools - The delegated budget relating to schools is expected to balance as any under/over spend is carried forward by schools.
- 2.3** Strategy, Culture, Community Learning & Resources - There is an adverse variance of £32k anticipated for this area after a transfer from reserves of £136k. The Schools Non Delegated budget is projected to overspend by £147k. £136k of this variance is due to the need to fund on going safeguarding and salary protection costs in relation to the transformation of secondary schools in Barry, however, it had been planned to transfer £136k from the Schools Rationalisation reserve for this purpose. There are other small adverse variances of £11k. There is a projected overspend of £135k relating to School Transport. Local Education Authorities have a statutory duty to provide free school transport for pupils of statutory school age who reside beyond walking distance to the nearest appropriate school in addition to a statutory duty to provide transport for pupils with Additional Learning Needs (ALN) who require access to specialist provision. The Council also provides discretionary support towards pupils in further education above the age of 16. Currently there are projected overspends against ALN (£153k), Secondary (£10k) and further education (£7k) and a projected underspend against primary of £35k. Additional work needs to be carried out in relation to the ALN contracts and it is envisaged that further information will be available in October 2019. This is offset by the £114k net favourable variance projected by the Strategy and Resources section. The largest variance being due to the delay in the new finance system for secondary schools being implemented which has resulted in savings this year of £77k.
- 2.4** Directors Office - It is anticipated that this area will outturn on target.
- 2.5** Additional Learning Needs & Wellbeing - A net adverse variance of £568k is currently projected for this service. The Non Delegated Resource Units are projecting an overspend of £249k. The key emerging challenge for schools is the increasing number of children and young people who are displaying very complex social, emotional and mental health difficulties. In order to meet this need two specialist resource bases have been developed at Gladstone Primary School in partnership with Ysgol Y Deri. These resource bases are developing a trauma informed approach which recognises the impact of Adverse Childhood Experiences (ACEs) on the development of young people. Current projections are that the costs will be in the region of £210k. In addition, staffing overspends are projected at St Cyres, Palmerston and Cogan resource bases (£39k). This is as a result of an increase in pupils requiring placements at these bases. The Children's Placements and educational needs of Looked After Children's budgets are currently projecting an overspend of £290k. It is difficult to predict the outturn on this budget as there could be changes in placements between now and the year end and costs for individual cases can be expensive. There is currently an adverse variance of £54k on the recoupment income budget and there are other small favourable variances of £25k projected.

- 2.6** Standards and Provision - A net favourable variance of £62k is projected for this service. There is a £66k favourable variance mainly relating to staffing in the Youth Engagement and Progression service. The EOTAS and Alternative Curriculum service is projected an adverse variance of £106k due to a significant increase in the number of pupils accessing education provision other than at school. This has been partially offset by additional income of £38k from the Youth Support Homelessness grant and £10k from Cardiff Council CLA. Behaviour and Attendance has a projected favourable variance of £22k mainly against staffing budgets. There is also a favourable variance of £32k under School Improvements also relating to the staffing budgets.

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 August 2019. The following changes have been made to the Capital Programme since the last report to Committee.
- 2.9** St Andrews Primary New Demountable - Delegated authority has been used to increase the Capital programme by £230k in 2019/20 for this scheme, which is for the demolition and removal from the site of the existing very poor quality demountable classroom and the installation of a new demountable in the same location. Demolition has taken place and the new demountable will be installed during October. The scheme will be funded by s106 monies.
- 2.10** Jenner Park Primary Electrical Rewire - For ease of procuring and delivering the rewire, it has been requested that this £70k budget is vired to the Jenner Park Primary Rewire KS2 first floor scheme to create one budget of £160k in the 2019/20 Capital Programme.
- 2.11** Ysgol Bro Morgannwg Renew Sewage Pumps - For ease of procuring and delivering these works, it has been requested that this £91k budget is vired to the Band B Ysgol Bro Morgannwg scheme.
- 2.12** Holton Primary Boiler Renewal - An emergency powers has been approved earlier this financial year where an assessment by the Property Section confirmed that the renewal of the boiler at Holton Primary School could be deferred until the Summer 2020. The funding that had been allocated to the Holton Primary project is being used to support the funding needs of the remaining boiler renewal projects which allowed them to proceed during this

summer. There is a remaining balance of £10k for this scheme and it has been requested that it is vired to the Education Asset Renewal Contingency budget.

- 2.13** St. Josephs Primary Classroom Refurbishment - For ease of procuring and delivering the works, it has been requested that this £260k budget is amalgamated with the St. Josephs Nursery and EIB scheme. It is therefore requested that the scheme name is amended to 'St Josephs Nursery, EIB and KS1 Remodelling'.
- 2.14** Ysgol Pen Y Garth Pitched Roof Renewal - For ease of procuring and delivering these works, it has been requested that this £65k budget is vired to the Ysgol Pen Y Garth Roof Renewal P2 scheme to create one budget of £230k in the 2019/20 Capital Programme.
- 2.15** Disabled Access Improvement - For ease of procuring and delivering these works, it has been requested that this £17k budget is vired to the Disability Access scheme to create one budget of £37k in the 2019/20 Capital Programme.
- 2.16** Catering Trailer - It has been requested that the budget is increased by £24k to purchase a generator and a truck. This will be funded from the Catering reserve

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

Title of Saving	Description of Saving	Total Saving £000	Projected Saving £000	RAG Status	Update Comments, Issues & Actions	Relevant Scrutiny Committee	Project Manager
LEARNING AND SKILLS							
Strategy, Culture, Community Learning & Resources							
Third Party Spend	Savings from external procurement	103	103	Green	Savings allocated and budgets reduced accordingly	Learning & Culture	Trevor Baker
Total Strategy, Culture, Community Learning & Resources		103	103				
Achievement for All							
Third Party Spend	Savings from external procurement	30	30	Green	Savings allocated and budgets reduced accordingly	Learning & Culture	Trevor Baker
Total Achievement for All		30	30				
School Improvement							
Consortium	Saving from contribution to Central South	29	29	Green	Saving achieved	Learning & Culture	Trevor Baker
Total School Improvement		29	29				
TOTAL LEARNING AND SKILLS		162	162	Green	100%		

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		
		Directorate of Learning and Skills					
		Education & Schools					
0	0	Llantwit Major Learning Community	86	86	0	P Ham	Landscaping in process of being finalised.
0	0	Romilly Primary	8	8	0	P Ham	Undertaking final account process.
512	512	Band B Ysgol Gymraeg Bro Morgannwg	5,305	5,396	(91)	P Ham	Request to vire £91k from the Ysgol Bro Morgannwg Renew Sewage Pumps scheme. Works are on-going.
625	625	Band B Whitmore High school	8,430	8,430	0	P Ham	Preparation for on-site works have been completed, work on site to commence in September.
185	185	Band B Pencoedtre High school	7,235	7,235	0	P Ham	PAC submission August 19 – October 19. Start on site February 2020.
0	0	Band B Centre of Learning & Wellbeing	1,094	1,094	0	P Ham	Feasibility completed, site location options being investigated.
0	0	Band B Ysgol Y Deri	5,500	5,500	0	P Ham	Feasibility completed, site location options being investigated.
0	0	Band B Schemes Waterfront	3,998	3,998	0	P Ham	Currently working with Legal/Planning to agree programme with consortium.
0	0	Band B Schemes Primary Provision in the Western Vale	2,328	2,328	0	P Ham	Developing BJC. Scheme out to tender.
0	0	Band B Schemes St Davids Primary School	4,184	4,184	0	P Ham	Developing BJC. Scheme out to tender.
0	0	Band B Schemes St Nicholas Primary School	799	799	0	P Ham	Developing BJC. Scheme out to tender.
8	8	Band B Preparatory Works Changing Rooms etc.	57	57	0	P Ham	Account to be finalised.
0	0	Ysgol Bro Morgannwg Renew Sewage Pumps	91	0	91	P Ham	Request to vire £91k to the Band B Ysgol Gymraeg Bro Morgannwg scheme
0	0	Holton Road Primary Electrical Rewire Phase 2	3	3	0	P Ham	Retention and fees to be paid.
0	0	Pupil Referral Unit, KS4, Y Daith, Fire Precaution Works	10	10	0	P Ham	Works consist of fire doors and an alarm.
0	0	St Illtyd Primary Fire Precaution Works	17	17	0	P Ham	Scheme is in design stage.
0	0	St Josephs Primary Boiler Upgrade	4	4	0	P Ham	Retention and fees outstanding.
0	0	Y Bont Faen Primary Flat Roof Renewal Phase 1	104	104	0	P Ham	Scheme nearing completion.
29	29	Ysgol Pen Y Garth Electrical Rewire Phase 1	40	40	0	P Ham	Scheme complete. Fees and retention outstanding.
0	0	Asbestos Removal	14	14	0	P Ham	Remaining works programme to be finalised.
0	0	Radon Monitoring	28	28	0	P Ham	Radon testing within schools.
755	755	St Josephs Nursery and EIB	1,039	1,299	(260)	P Ham	Scheme complete. Request to amalgamate this scheme with St Josephs primary -Classroom refurbishment scheme
0	0	Llansannor Extension	110	110	0	P Ham	Scheme in design stage.
0	0	Ty Deri	175	175	0	P Ham	Work complete apart from snagging. Account to be finalised.
0	0	Childcare Offer Capital Grant	1,380	1,380	0	P Ham	Scheme to be delivered over 2 years to address childcare. Scheme is in design stage.
428	428	Wick Primary Nursery and Remodel of Building	574	574	0	P Ham	Scheme complete, some snagging outstanding. Account to be finalised.
66	66	Gwenfo Primary Extension	77	77	0	P Ham	Internal works complete, external works will be complete in the next few weeks.
0	0	St Richard Gwyn R/C High Window Renewal Phase 1	8	8	0	P Ham	Snagging outstanding.
0	0	Education Asset Renewal - Contingency	80	90	(10)	P Ham	Contingency budget. Request to vire £10k from the Holton Road Primary- Boiler renewal scheme
0	0	Peterston Super Ely Primary Roof	350	350	0	P Ham	Work has commenced, due to be complete in October, weather dependant.
0	0	Security	50	50	0	P Ham	Work has been completed at Rhoose Primary, work to be carried out at Wick Primary in October. Work consists of security lobby and fencing.
3	3	Disability Access	20	37	(17)	P Ham	Work completed at Jenner Park School. Request to vire £17k from Disabled Access Improvement
0	0	Ysgol Pen Y Garth Pitched Roof	65	0	65	P Ham	Designing scheme, meeting with school to take place. Request to vire £65k to the Ysgol Pen Y Garth-Roof renewal P2 scheme
31	31	Ysgol Gwaun Y Nant Boiler renewal	115	115	0	P Ham	Scheme nearing completion.
0	0	Jenner Park Primary Electrical Rewire	70	0	70	P Ham	Scheme complete. Request to vire £70k to Jenner Park primary- rewire KS2 first floor
0	0	Romilly Primary Canteen Roof	40	40	0	P Ham	Works nearing completion.
2	0	Oakfield/Ysgol Gwaun Y Nant Community Garden Project	2	2	0	M Goldsworthy	Scheme complete. Seasonal works to be carried out.
0	0	Cowbridge Comprehensive school Block A Boilers	4	0	4	P Ham	Scheme complete.
0	0	Dinas Powys Primary -External learning area and internal alterations	57	57	0	P Ham	Scheme nearing completion.
0	0	St Andrews New Demountable	230	230	0	P Ham	Old demountable has been removed. Foundations for new demountable have been installed. New demountable is due October half term. Scheme approved via Delegated Authority detailed as part of this report.

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		
		Additional WG Education Asset Renewal Funding					
0	0	All Saints Primary-WC Refurb	40	40	0	P Ham	Scheme to start during October.
52	52	All Saints Primary -Rewire	100	100	0	P Ham	Scheme complete.
40	0	Barry Island Primary -WC Refurb	40	40	0	P Ham	Scheme complete.
0	0	Cogan Nursery- Flat Roof renewal	80	80	0	P Ham	Scheme nearing completion.
60	28	Colcot Primary- Fire Alarm & Electrical upgrade	60	60	0	P Ham	Scheme complete.
30	0	Evenlode Primary -WC Refurb	30	30	0	P Ham	Scheme complete.
0	0	Gladstone Primary- Boundary walls/fencing	25	25	0	P Ham	Works are underway.
90	59	High Street Primary-Rewire	90	90	0	P Ham	Scheme complete.
0	0	Holton Road Primary- Boiler renewal	10	0	10	P Ham	Request to vire £10k to the Education Asset Renewal - Contingency scheme
53	53	Jenner Park primary- Boiler renewal	115	115	0	P Ham	Scheme nearing completion.
42	42	Jenner Park primary- rewire KS2 first floor	90	160	(70)	P Ham	Scheme complete. Request to vire £70k from Jenner Park Primary Electrical Rewire
90	57	Llandough Primary- Rewire	90	90	0	P Ham	Scheme complete.
0	0	Llangan Primary-Windows	40	40	0	P Ham	The majority of the works were carried out through the summer holidays, the works will be finished during October half term.
10	0	Pendoylan Primary- Windows	10	10	0	P Ham	Scheme complete.
0	0	Rhws Primary- Kitchen Boiler house renewal	95	95	0	P Ham	Scheme nearing completion.
0	0	Rhws Primary- lower Boiler house renewal	85	85	0	P Ham	Scheme nearing completion.
4	4	Romilly Primary- Boundary walls/fencing	45	45	0	P Ham	The order has been raised. Works to start imminently.
0	0	St Athan primary- WC refurb	40	40	0	P Ham	Works due to start end of September for 6 weeks.
0	0	St Athan primary-Boiler	130	130	0	P Ham	Works nearing completion.
30	0	St Helens primary-WC refurb (KS1)	30	30	0	P Ham	Scheme complete.
1	1	St Josephs primary -Classroom refurbishment	260	0	260	P Ham	Scheme complete. Request to amalgamate with St Josephs Nursery and EIB scheme as part of this report.
40	0	Sully Primary- WC refurb (KS2) year3	40	40	0	P Ham	Scheme complete.
0	0	Y Bont Faen primary-Drainage, lighting & Heating up	25	25	0	P Ham	Works are on-going. Due to complete by the end of September.
0	0	Ysgol Pen Y Garth-Roof renewal P2	165	230	(65)	P Ham	Designing scheme, meeting with school to take place. Request to vire £65k from Ysgol Pen Y Garth Pitched Roof scheme
160	160	Schools IT Loans	392	392	0	P Ham	Cost of IT equipment to be reimbursed by the school.
0	0	Gladstone Primary Vehicle	11	11	0	P Ham	Minibus has been purchased.
		Slippage					
0	0	Legionella Control	7	7	0	P Ham	Continuation of previous years scheme.
0	0	St Cyres Lower School Marketing & Disposal	6	6	0	P Ham	Finalisation of the project is well advanced.
82	82	Victorian Schools	601	601	0	P Ham	Works at Rhoose Primary have been completed. Works on site at Jenner Park Primary, Holton Primary, Cadoxton Primary and Gladstone Primary.
1	1	Ysgol Iolo Morgannwg Boiler Renewal	6	2	4	P Ham	Scheme complete. Underspend will fund £4k of overspend on Colcot Primary scheme.
0	0	Fairfield Nursery Adaptions	2	2	0	P Ham	Scheme complete.
0	0	Disabled Access Improvement	17	0	17	P Ham	Request to vire £17k to the Disability Access scheme
0	0	Penarth Learning Community	9	9	0	P Ham	Works to include additional ventilation.
0	7	Colcot Primary	0	7	(7)	P Ham	Snagging outstanding. £4k of overspend will be funded from underspend on Ysgol Iolo Morgannwg Boiler Renewal and £3k from Jenner Park Water Boiler scheme.
3	3	Fire Precaution Works	4	4	0	P Ham	Work at Rhoose Primary is complete.
3,432	3,191		46,571	46,570	1		
		Catering Service					
31	31	Catering Trailer	46	70	(24)	P Ham	Request to increase this budget by £24k .
0	0	Jenner Park Water Boiler	3	0	3	P Ham	Scheme complete. Underspend will fund £3k of overspend from Colcot Primary scheme.
		Library Service					
10	10	Barry Library Boilers	31	31	0	P Ham	Scheme complete, snagging outstanding.
3,473	3,232	Total Directorate of Learning and Skills	46,651	46,671	(20)		