

Meeting of:	<b>Learning and Culture Scrutiny Committee</b>
Date of Meeting:	<b>Thursday, 16 January 2020</b>
Relevant Scrutiny Committee:	Learning and Culture
Report Title:	<b>Revenue and Capital Monitoring for the Period 1st April to 30th November 2019</b>
Purpose of Report:	To advise Scrutiny Committee of the progress relating to revenue and capital expenditure for the period 1st April to 30th November 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 currently approved capital budget has been set at £25.603m.</li> </ul>	

## Recommendation

1. That Scrutiny Committee consider the position with regard to the 2019/20 revenue and capital budgets.

## Reason for Recommendation

1. That Members are aware of the projected revenue outturn for 2019/20.

## 1. Background

- 1.1 Cabinet on 18th November 2019 approved the revised Revenue Budget for 2019/20 (minute no c138).

## 2. Key Issues for Consideration

- 2.1 The forecast for Learning and Skills is an overspend of £888k after a planned use of reserves of £136k. As part of the Initial Revenue Budget Proposals 2020/21, presented to Cabinet on 18th November 2019, £500k was transferred into a new reserve set up for Education pressures acknowledging the issues arising in 2019/20. This reserve will be utilised to partially balance this budget in the current financial year. Further consideration of this position will be addressed as part of the Final Revenue Budget Proposals 2020/21.

Directorate/Service	2019/20	2019/20	Variance
	Amended Budget	Projected	(+)Favourable (-) Adverse
	£000	£000	£000
Schools	87,806	87,806	0
Strategy, Culture, Community Learning & Resources	11,299	11,565	-266
Directors Office	225	225	0
Additional Learning Needs & Wellbeing	2,409	3,050	-641
Standards and Provision	4,070	4,051	+19
Unplanned use of reserves to fund overspend	0	(500)	+500
Additional Savings to be Found	0	(388)	+388
<b>Total</b>	<b>105,809</b>	<b>105,809</b>	<b>0</b>

- 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 £266k anticipated for this area after a planned transfer from reserves of £136k. The Schools Non Delegated budget is projected to overspend by £127k. £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 favourable variances of £9k. There is a projected overspend of £393k relating to School Transport which is an increase from the figure previously reported. 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 is a projected adverse variance of £245k for ALN. The overspend is due to new transport provision at the Early Intervention Base (EIB) at St Josephs, Ysgol Ty Coch, SAS Ysgol Y Deri (this is a day per week provision in Y Deri for pupils who attend mainstream schools - St Bride's, Y Ddraig and Llansanor) and increased transport provision/costs at Gladstone Primary, Jenner Park Primary, Red Rose School, Y Daith (PRU), Ysgol Y Deri and payments to parents where transport cannot be provided due to child needs or because no other transport option is available. This is in addition to the loss of an operator who provided a number of ALN routes but was unable to meet our contractual terms and conditions. The subsequent retendering of the routes saw an increase in overall costs. There is a projected £121k adverse variance relating to mainstream transport. Schools such as Ysgol Iolo Morgannwg, Ysgol Bro Morgannwg, Cowbridge Comprehensive and Llantwit Major Comprehensive have additional routes due to the increase in demand in addition to a number of catchment issue taxis. Costs from the tender of mainstream services also saw an overall increase across the board. Further Education is projecting an adverse variance of £27k as actual costs for St David's College transport are due to be higher than in previous years. These adverse variances are offset by the £118k 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 £65k.

**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 £641k is currently projected for this service. The Non Delegated Resource Units are projecting an overspend of £297k. 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. The Children's Placements and educational needs of Looked After Children's budgets are currently projecting an overspend of £319k. It is difficult to predict the outturn on these budgets 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 £29k projected.

- 2.6** Standards and Provision - A net favourable variance of £19k is projected for this service. There is a £70k favourable variance mainly relating to staffing in the Youth Engagement and Progression service. The EOTAS and Alternative Curriculum service is projecting an adverse variance of £110k 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. The Pupils Referral Unit is currently projecting an adverse variance of £38k due to issues relating to long term sickness of staff and the need to employ agency staff to provide the service. Behaviour and Attendance has a projected favourable variance of £10k mainly against staffing budgets. There is also a favourable variance of £39k 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 30th November 2019. The following changes have been made to the Capital Programme since the last report to Committee.
- 2.9** Band B Preparatory Works Changing Rooms etc - This scheme is complete and it has been requested that the remaining budget of £57k is vired to the following schemes; £10k Band B Whitmore High School, £10K Band B Pencoedtre High School for two containers and £37k Romilly Primary School. Various additional works have had to be carried out at Romilly Primary School, including revised playground construction, revised reception externals and revised nursery externals.
- 2.10** Bryn Hafryn Comprehensive School Water Mains Renewal - Costs have increased due to significant additional works to lay the water main due to unforeseen rocky ground. Peterston Super Ely Roof Renewal scheme is underspent due to tenders being returned lower than expected. It has therefore been requested to vire

£32k from the Peterston Super Ely Roof Renewal scheme to this scheme within the 2019/20 Capital Programme.

- 2.11** Childcare Offer Capital Grant - Gladstone Primary School and Llanfair Primary School schemes are at planning stage and options are being considered for the design and build of Welsh Medium scheme. Another round of applications will be opening in January 2020 for the small grant scheme. Due to the above the spend needs to be reprofiled and it has been requested that £1.170m is carried forward into 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.

### **Employment**

**4.2** There are no employment implications.

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

**4.3** 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
<b>LEARNING AND SKILLS</b>							
<b>Strategy, Culture, Community Learning &amp; Resources</b>							
Third Party Spend	Savings from external procurement	103	103	Green	Savings allocated and budgets reduced accordingly	Learning & Culture	Trevor Baker
<b>Total Strategy, Culture, Community Learning &amp; Resources</b>		<b>103</b>	<b>103</b>				
<b>Achievement for All</b>							
Third Party Spend	Savings from external procurement	30	30	Green	Savings allocated and budgets reduced accordingly	Learning & Culture	Trevor Baker
<b>Total Achievement for All</b>		<b>30</b>	<b>30</b>				
<b>School Improvement</b>							
Consortium	Saving from contribution to Central South	29	29	Green	Saving achieved	Learning & Culture	Trevor Baker
<b>Total School Improvement</b>		<b>29</b>	<b>29</b>				
<b>TOTAL LEARNING AND SKILLS</b>		<b>162</b>	<b>162</b>	<b>Green</b>	<b>100%</b>		
		<b>Shortfall</b>	<b>0</b>				

Green = on target to achieve in full

Amber = forecast within 20% of target

Red = forecast less than 80% of target

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		
		<b>Directorate of Learning and Skills</b>					
		<b>Education &amp; Schools</b>					
0	0	Llantwit Major Learning Community	86	86	0	P Ham	Landscaping in process of being finalised.
8	21	Romilly Primary	8	45	(37)	P Ham	Scheme complete apart from finalising defects. Requested to vire £37k from Band B Preparatory Works Changing Rooms scheme
1,943	1,943	Band B Ysgol Gymraeg Bro Morgannwg	6,371	6,371	0	P Ham	Works started on site end of July, internal works for new plant room undertaken. Full business case approved
1,251	1,251	Band B Whitmore High school	5,616	5,626	(10)	P Ham	Works started on site in October. Site strip and formation works started. Steel structure being erected. Full business case approved. Requested to vire £10k from Band B Preparatory Works Changing Rooms scheme
791	791	Band B Pencoedtre High school	2,621	2,631	(10)	P Ham	Planning application going to Planning Committee in December. Start on site estimated to be February 2020. Stage 3 design work commenced. Full business case submitted. Requested to vire £10k from Band B Preparatory Works Changing Rooms scheme
2	2	Band B Centre of Learning & Wellbeing	635	635	0	P Ham	Feasibility completed, site location options being investigated.
19	19	Band B Ysgol Y Deri	500	500	0	P Ham	Feasibility completed, site location options being investigated.
4	4	Band B Schemes Waterfront	1,091	1,091	0	P Ham	Currently working with Legal/Planning to agree programme with consortium. Heads of terms with consortium now agreed. Full business case approved.
63	63	Band B Schemes Primary Provision in the Western Vale	286	286	0	P Ham	Contractor appointed, stage 1 and design work underway. Work due to commence on site August 2020.
132	132	Band B Schemes St Davids Primary School	285	285	0	P Ham	Contractor appointed, stage 1 and design work underway. Work due to commence on site August 2020.
83	83	Band B Schemes St Nicholas Primary School	287	287	0	P Ham	Contractor appointed, stage 1 and design work underway. Work due to commence on site August 2020.
0	0	Band B Cowbridge	200	200	0	P Ham	Currently consulting on preferred option. Site feasibility underway
0	0	Band B Preparatory Works Changing Rooms etc.	57	0	57	P Ham	Requested to vire £37k to Romilly Primary scheme, £10k to Band B Whitmore High School Scheme and £10k to Pencoedtre High School Scheme.
1	1	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	Scheme complete.
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	1	3	P Ham	Retention and fees outstanding. Underspend to fund overspend on Penarth Learning Community Scheme below
87	87	Y Bont Faen Primary Flat Roof Renewal Phase 1	104	104	0	P Ham	Scheme complete, account to be finalised.
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	Works at three schools complete. Remainder of budget to be allocated.
0	0	Radon Monitoring	28	28	0	P Ham	Radon testing within schools.
1,299	1,199	St Josephs Nursery EIB and Key Stage 1 Remodelling	1,299	1,299	0	P Ham	Scheme complete. Accounts being finalised.
0	0	Llansannor Extension	110	110	0	P Ham	Planning consent has been received.
0	0	Ty Deri	175	175	0	P Ham	Work complete apart from snagging. Account to be finalised
2	2	Childcare Offer Capital Grant	1,380	210	1,170	P Ham	Requested to carry forward £1.170m to the 2020/21 Capital Programme
527	527	Wick Primary Nursery and Remodel of Building	574	574	0	P Ham	Scheme complete, working through snagging list
66	66	Gwenfa Primary Extension	77	77	0	P Ham	Scheme complete, snagging outstanding
1	1	St Richard Gwyn R/C High Window Renewal Phase 1	8	8	0	P Ham	Snagging outstanding.
0	0	Education Asset Renewal - Contingency	90	90	0	P Ham	Contingency budget.
132	132	Peterston Super Ely Primary Roof	350	318	32	P Ham	Works are progressing. Scheme due to be complete in mid December. Requested to vire £32k to 'Bryn Hafryn Comprehensive School Water Mains Renewal' scheme
28	28	Security	50	50	0	P Ham	Work has been completed at Rhoose Primary. The fencing in Wick Primary is complete, work to the security lobby has been delayed
12	12	Disability Access	37	37	0	P Ham	Work completed at Jenner Park School. Remaining budget will be allocated as required
74	74	Ysgol Gwaun Y Nant Boiler renewa	115	115	0	P Ham	Scheme complete.
0	0	Romilly Primary Canteen Roof	40	40	0	P Ham	Scheme complete.
2	2	Oakfield/Ysgol Gwaun Y Nant Community Garden Project	2	2	0	M Goldsworthy	Scheme complete.
0	0	Cowbridge Comprehensive School Block A Boilers	4	0	4	P Ham	Scheme complete. Underspend will fund overspend on Sully Primary- WC refurb (KS2) year3 scheme below.
1	1	Dinas Powys Primary -External learning area and internal alterations	57	57	0	P Ham	Scheme nearing completion.
68	68	St Andrews New Demountable	230	230	0	P Ham	Scheme complete.



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		
		<b>Additional WG Education Asset Renewal Funding</b>					
0	0	All Saints Primary-WC Refurb	40	40	0	P Ham	Works on-going. Due to complete in December
100	71	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.
80	0	Cogan Nursery- Flat Roof renewal	80	80	0	P Ham	Scheme complete.
60	28	Colcot Primary- Fire Alarm & Electrical upgrade	60	60	0	P Ham	Scheme complete.
30	18	Evenlode Primary -WC Refurb	30	30	0	P Ham	Scheme complete.
25	0	Gladstone Primary- Boundary walls/fencing	25	25	0	P Ham	Scheme complete.
90	61	High Street Primary-Rewire	90	90	0	P Ham	Scheme complete.
115	74	Jenner Park primary- Boiler renewa	115	115	0	P Ham	Scheme complete.
160	63	Jenner Park primary- rewire KS2 first floor	160	160	0	P Ham	Scheme complete.
90	58	Llandough Primary- Rewire	90	90	0	P Ham	Scheme complete.
40	19	Llangan Primary-Windows	40	40	0	P Ham	Scheme complete.
10	10	Pendoylan Primary- Windows	10	10	0	P Ham	Scheme complete.
95	66	Rhws Primary- Kitchen Boiler house renewa	95	95	0	P Ham	Scheme complete.
85	55	Rhws Primary- lower Boiler house renewa	85	85	0	P Ham	Scheme complete.
4	4	Romilly Primary- Boundary walls/fencing	45	45	0	P Ham	Fencing element is complete.
0	0	St Athan primary- WC refurb	40	40	0	P Ham	Works on-going. Due to complete in December
130	91	St Athan primary-Boiler	130	130	0	P Ham	Scheme complete.
30	0	St Helens primary-WC refurb (KS1)	30	30	0	P Ham	Scheme complete.
40	44	Sully Primary- WC refurb (KS2) year3	40	44	(4)	P Ham	Scheme complete. Overspend will be funded from underspend on Cowbridge Comprehensive school Block A Boilers scheme above
0	0	Y Bont Faen primary-Drainage, lighting & Heating upgrade	25	25	0	P Ham	Scheme complete.
1	1	Ysgol Pen Y Garth-Roof renewal P2	230	230	0	P Ham	Scheme in final design stage. Works are due to start on site January 2020
222	222	Schools IT Loans	392	392	0	P Ham	Cost of IT equipment to be reimbursed by the school
11	11	Gladstone Primary Vehicle	11	11	0	P Ham	Minibus has been purchased
0		<b>Slippage</b>					
0	0	Legionella Control	7	7	0	P Ham	Investigations on-going
3	3	St Cyres Lower School Marketing & Disposa	6	6	0	P Ham	Scheme complete.
415	415	Victorian Schools	601	601	0	P Ham	Works complete at Jenner Park Primary and Cadoxton Primary. Works are nearing completion at Gladstone Primary School. Works are on-site at Llangan and Holton Road.
1	1	Ysgol Iolo Morgannwg Boiler Renewa	6	2	4	P Ham	Scheme complete. Underspend will fund £4k of overspend from Colcot Primary scheme
0	0	Fairfield Nursery Adaptions	2	2	0	P Ham	Scheme complete.
9	12	Penarth Learning Community	9	12	(3)	P Ham	Scheme complete. Overspend to be funded from underspend on St Josephs Primary Boiler Upgrade scheme above
0	1	Colcot Primary	0	4	(4)	P Ham	Snagging outstanding. Overspend will be funded £4k from Ysgol Iolo Morgannwg Boiler Renewa
0	4	WLG ICT additional Funding	0	4	(4)	P Ham	Overspend to be funded from revenue.
0	32	Bryn Hafryn Comprehensive School Water Mains Renewal	0	32	(32)	P Ham	Scheme complete. Request to vire £32k from 'Peterston-Super-Ely Primary Roof' scheme as part of this report.
3	3	Fire Precaution Works	4	4	0	P Ham	Scheme complete.
8,514	7,905		25,499	24,333	1,166		
		<b>Catering Service</b>					
70	69	Catering Trailer	70	70	0	P Ham	Trailer, generator and truck have all been received
0	0	Jenner Park Water Boiler	3	3	0	P Ham	Scheme complete.
		<b>Library Service</b>					
4	4	Barry Library Boilers	31	31	0	P Ham	Boiler is operating. Problems with controls to be resolved
8,588	7,978	<b>Total Directorate of Learning and Skills</b>	25,603	24,437	1,166		