

Meeting of:	<b>Learning and Culture Scrutiny Committee</b>
Date of Meeting:	<b>Thursday, 19 March 2020</b>
Relevant Scrutiny Committee:	Learning and Culture
Report Title:	<b>Revenue and Capital Monitoring for the Period 1st April 2019 to 31st January 2020</b>
Purpose of Report:	To advise Scrutiny Committee of the progress relating to revenue and capital expenditure for the period 1st April 2019 to 31st January 2020
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 £21.590m.</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 £869k after a planned use of reserves of £136k. In addition to the £500k transferred into a new reserve set up for Education pressures as part of the Initial Revenue Budget Proposals 2020/21, a further £500k was transferred into this reserve as part of the Final Revenue Budget Proposals 2020/21.

Directorate/Service	2019/20 Amended Budget £000	2019/20 Projected £000	Variance (+)Favourable (-) Adverse £000
Schools	87,806	87,806	0
Strategy, Culture, Community Learning & Resources	11,299	11,547	-248
Directors Office	225	225	0
Additional Learning Needs & Wellbeing	2,409	3,067	-658
Standards and Provision	4,070	4,033	+37
Unplanned use of reserves to fund overspend	0	(869)	+869
<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 £248k anticipated for this area after a planned transfer from reserves of £136k. The Schools Non Delegated budget is projected to overspend by £146k. £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 £10k. There is a projected overspend of £393k 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 is a projected adverse variance of £250k 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 £118k 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 £25k 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 £124k 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. The Libraries service is also projecting a favourable variance of £31k as the Openplus, afterhours automatic opening system, for Cowbridge & Llantwit Major Library is not going ahead in this financial year.
- 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 £658k is currently projected for this service. The Non Delegated Resource Units are projecting an overspend of £321k. 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 Childrens Placements and educational needs of Looked After Children's budgets are currently projecting an overspend of £383k. 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 also an adverse variance of £54k on the recoupment income budget. This is offset by a favourable variance of £78k relating to Out of School Tuition. This budget provides support for out of school tuition for pupils whose medical needs mean they are unable to attend school. At the beginning of the financial year the number of pupils accessing this service was very high, however, there has been a significant drop in the numbers, with pupils either going back to school or to an alternative provision. There are other small favourable variances of £22k projected.

- 2.6** Standards and Provision - A net favourable variance of £37k 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 £115k 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 £15k 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 31st January 2020. The following changes have been made to the Capital Programme since the last report to Committee.
- 2.9** Digital 2030 Funding - The Council has received an award of funding of £28,975 from Welsh Government in relation to the Post 16 Digital 2030 capital funding round. This funding is to be used to upgrade computer equipment. Emergency Powers have been approved to include this scheme within the 2019/20 Capital Programme.

- 2.10** Llansannor Extension - Following the tender of the original proposed build there has been a redesign for a smaller extension and works are now anticipated to commence at Easter. It has therefore been requested that £110k is carried forward into the 2020/21 Capital Programme.
- 2.11** St Helen's Primary WC Refurbishment (KS1) - This scheme is complete but is £7k overspent due to unforeseen works as a result of drainage issues. The Peterston Super Ely Primary Roof scheme is underspent as the tenders that were returned were lower than expected. A virement of £7k has been requested from the Peterston Super Ely Roof scheme to this scheme within the 2019/20 Capital Programme.
- 2.12** Sully Primary WC Refurbishment (KS2) Year 3 - This scheme is complete but is £13k overspent as works to additional WC's in the school were undertaken while the contractor was on site. The Peterston Super Ely Primary Roof scheme is underspent as the tenders that were returned were lower than expected. A virement of £13k has been requested from the Peterston Super Ely Roof scheme to this scheme within the 2019/20 Capital Programme.
- 2.13** St Illtyd's Primary Fire Precaution Works - Works have been identified by Health and Safety through a fire risk assessment, with further investigation and design being required. It has therefore been requested that £17k is carried forward into the 2020/21 Capital Programme.
- 2.14** Radon Monitoring - There are no further works required this financial year and it has therefore been requested that £28k is carried forward into the 2020/21 Capital Programme.
- 2.15** Ysgol Pen Y Garth Roof Renewal - Work on site for this scheme will not commence this financial year and therefore it has been requested that £100k is vired to the Victorian Schools scheme as there has been additional unforeseen work required which will be undertaken this financial year and will result in the budget overspending.
- 2.16** Band B Schemes - Due to the scale and complex nature of the Band B Schemes profiles will be updated regularly, therefore it has been requested that the latest spend profiles for Band B are approved as set out in the following table.

	19/20	20/21	21/22	22/23	Total
	£'000	£'000	£'000	£'000	£'000
Band B Whitmore High School	6,523	16,531	5,655	565	29,274
Band B Pencoedtre High School	1,382	14,700	14,846	3,657	34,585
Band B Centre of Learning and Wellbeing	73	2,500	1,825	0	4,398
Band B Ysgol Y Deri	50	4,500	5,450	1,000	11,000
Band B Ysgol Gymraeg Bro Morgannwg	5,617	10,841	3,909	348	20,715
Band B Barry Waterfront	9	3,500	3,813	93	7,415
Band B Primary Provision in the Western Vale	286	2,000	1,832	65	4,183
Band B Cowbridge Primary Provision	50	2,950	3,417	1,000	7,417
Band B St David's Primary School	290	2,470	1,353	71	4,184
Band B St Nicholas	241	2,459	1,414	71	4,185
Band B Penarth Cluster - Review Primary Provision to Include Cosmeston	0	0	2,477	1,708	4,185
Band B Review Nursery Provision	0	862	500	0	1,362

### **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>					
1	1	Llantwit Major Learning Community	86	86	0	P Ham	Landscaping in process of being finalised.
31	31	Romilly Primary	45	45	0	P Ham	Scheme complete apart from finalising defects.
3,600	3,600	Band B Ysgol Gymraeg Bro Morgannwg	6,424	5,617	807	P Ham	Works started on site end of July, internal works for new plant room undertaken. Request to reprofile scheme
3,627	3,627	Band B Whitmore High school	6,073	6,523	(450)	P Ham	Works started on site in October. Site strip and formation works started. Steel structure being erected. Request to reprofile scheme
1,028	1,028	Band B Pencoedtre High School	1,465	1,382	83	P Ham	Planning application was approved in December. Start on site estimated to be February 2020. Stage 3 design work commenced. Request to reprofile scheme.
3	3	Band B Centre of Learning & Wellbeing	73	73	0	P Ham	Feasibility completed, site location options being investigated. Request to reprofile scheme
29	29	Band B Ysgol Y Deri	50	50	0	P Ham	Feasibility completed, site location options being investigated. Request to reprofile scheme
5	5	Band B Schemes Waterfront	9	9	0	P Ham	Currently working with Legal/Planning to agree programme with consortium. Heads of terms with consortium now agreed. Full business case approved. Request to reprofile scheme.
171	171	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. Request to reprofile scheme.
158	158	Band B Schemes St Davids Primary School	260	290	(30)	P Ham	Contractor appointed, stage 1 and design work underway. Work due to commence on site August 2020. Request to reprofile scheme.
111	111	Band B Schemes St Nicholas Primary School	200	241	(41)	P Ham	Contractor appointed, stage 1 and design work underway. Work due to commence on site August 2020. Request to reprofile scheme
1	1	Band B Cowbridge	200	50	150	P Ham	Currently reviewing feedback received during consultation period. Site feasibility underway. Request to reprofile scheme
0	0	Digital 2030 Funding	29	29	0	P Ham	Emergency Powers detailed as part of this report
2	2	Holton Road Primary Electrical Rewire Phase 2	3	3	0	P Ham	Scheme complete
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	0	17	P Ham	Scheme is in design stage. Request to carry forward £17k
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
104	91	Y Bont Faen Primary Flat Roof Renewal Phase 1	104	104	0	P Ham	Scheme complete.
40	29	Ysgol Pen Y Garth Electrical Rewire Phase 1	40	40	0	P Ham	Scheme complete.
2	2	Asbestos Removal	14	14	0	P Ham	Scheme on-going.
0	0	Radon Monitoring	28	0	28	P Ham	Request to carry forward £28k.
1,299	1,191	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	0	110	P Ham	Request to carry forward £110k as part of this report
0	0	Ty Deri	175	175	0	P Ham	Work complete apart from snagging. Account to be finalised
52	52	Childcare Offer Capital Grant	210	210	0	P Ham	The schemes at Gladstone Primary School and Llanfair Primary School are in design stage
519	519	Wick Primary Nursery and Remodel of Building	574	574	0	P Ham	Scheme complete, working through snagging list
73	73	Gwenfo 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.
197	197	Peterston Super Ely Primary Roof	318	298	20	P Ham	Scheme complete. Request to vire £13k to Sully Primary- WC refurb (KS2) year3 scheme and £7k to St Helens primary-WC refurb (KS1) as part of this report.
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
115	86	Ysgol Gwaun Y Nant Boiler renewa	115	115	0	P Ham	Scheme complete.
40	36	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.
53	53	Dinas Powys Primary -External learning area and internal alterations	57	57	0	P Ham	Scheme completed.
203	203	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>					
40	0	All Saints Primary-WC Refurb	40	40	0	P Ham	Scheme complete.
100	89	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	33	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	87	High Street Primary-Rewire	90	90	0	P Ham	Scheme complete.
115	86	Jenner Park primary- Boiler renewa	115	115	0	P Ham	Scheme complete.
160	83	Jenner Park primary- rewire KS2 first floor	160	160	0	P Ham	Scheme complete.
90	87	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	76	Rhws Primary- Kitchen Boiler house renewa	95	95	0	P Ham	Scheme complete.
85	64	Rhws Primary- lower Boiler house renewa	85	85	0	P Ham	Scheme complete.
5	5	Romilly Primary- Boundary walls/fencing	45	45	0	P Ham	Fencing element is complete.
40	0	St Athan primary- WC refurb	40	40	0	P Ham	Scheme complete.
130	105	St Athan primary-Boiler	130	130	0	P Ham	Scheme complete.
30	37	St Helens primary-WC refurb (KS1)	30	37	(7)	P Ham	Scheme complete. Request to vire £7k from Peterston Super Ely Primary Roof scheme as part of this repor
40	53	Sully Primary- WC refurb (KS2) year3	40	53	(13)	P Ham	Scheme complete. Request to vire £13k from Peterston Super Ely Primary Roof scheme as part of this repor
0	0	Y Bont Faen primary-Drainage, lighting & Heating upgrade	25	25	0	P Ham	Scheme complete.
8	8	Ysgol Pen Y Garth-Roof renewal P2	230	130	100	P Ham	Scheme out to tender, tenders due back at the end of February. Request to vire £100k to the Victorian Schools scheme as part of this repor
232	232	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.
586	586	Victorian Schools	601	701	(100)	P Ham	Works complete at Jenner Park Primary, Cadoxton Primary, Llangan Primary and Gladstone Primary. Works are on-site at Holton Primary. Request to vire £100k from Ysgol Pen Y Garth roof renewal scheme
1	1	Ysgol Iolo Morgannwg Boiler Renewa	6	2	4	P Ham	Scheme complete. Underspend will fund £2k 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	2	Colcot Primary	0	2	(2)	P Ham	Snagging outstanding. Overspend will be funded £2k from Ysgol Iolo Morgannwg Boiler Renewa
0	4	WLG ICT additional Funding	0	4	(4)	P Ham	Overspend to be funded from revenue.
32	32	Bryn Hafryn Comprehensive School Water Mains Renewal	32	32	0	P Ham	Scheme complete.
3	3	Fire Precaution Works	4	4	0	P Ham	Scheme complete.
<b>13,697</b>	<b>13,088</b>		<b>21,486</b>	<b>20,810</b>	<b>676</b>		
		<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>					
31	21	Barry Library Boilers	31	31	0	P Ham	Scheme complete.
<b>13,798</b>	<b>13,178</b>	<b>Total Directorate of Learning and Skills</b>	<b>21,590</b>	<b>20,914</b>	<b>676</b>		