

Supplementary Estimates

for the year ending 31 March 2023

Date of Request: **26/09/2022**

Date of Mayor / Cabinet endorsement: **01/11/2022**

Executive Director: Hugh Evans; People Directorate

Cabinet Member: Cllr Holland, Cllr Craig, Cllr King

DECISION REQUIRED:

Cabinet are asked to approve an additional supplementary estimate of £1.6m for the People Directorate Educational Improvement Division to maintain existing services and financial commitments.

1. Directorate Original Budget Build Up

The People Directorate has a current revised budget of £263.2m as detailed below and is seeking a supplementary estimate of £13.8m giving a revised baseline allocation of £276.9m. The educational Improvement Divisions has a current revised budget of £15.8m as detailed below and is seeking a supplementary estimate of £1.6m giving a revised baseline allocation of £17.4m.

People Directorate			
Division (Service Director Level)	Prior Year Outturn Variance	Revised Budget	Applied Rebaseline Allocation
	£000's	£000's	£000's
Educational Improvement	1,582	15,751	17,352

2. Justification

The People Directorate budgets have experienced significant cost pressures in Educational Improvement as follows:

Comment on components of supplementary estimate requested			
Service	Activity	To Be Funded By:	£'000
Educational Improvement	Home to School Transport	Inflation Contingency	(441)
Educational Improvement	E8 Improve HTST Commissioning	Optimism Bias Contingency	(57)
Subtotal			(498)
Educational Improvement	Increase in staffing demand pressures within Special Educational Needs services	Redirection of General Reserves	(512)
Educational Improvement	Increase in staffing cost pressure within Special Educational Needs post-Covid	Redirection of General Reserves	(500)
Educational Improvement	Increase in cost/demand for Home To School Transport for vulnerable children and Out Of Authority Children	Redirection of General Reserves	(91)
Subtotal			(1,103)
Educational Improvement			(1,601)

3. In-Year Controls

Savings and recovery actions are being implemented across the People Directorate in terms of scrutinising all areas of spend and increased levels of management oversight and sign off.

4. Impact Description

Costs	Funding Source
Total request £1.601m Revenue	Release of corporate contingencies £0.498m and release of reserves £1.103m as per Appendix A2
Impact if not Approved	
If the supplementary estimate is not approved then the service will overspend and will not be able to maintain statutory service provision.	

5. Learning Points

What can be learnt from how and why this change came about?

When setting the budget before the start of each year, the council considers the robustness of the estimates and assumptions, as well as plans and strategies that could be used to deliver a balanced budget should unexpected pressures or events materialise. This has been a particularly challenging financial year in terms of inflationary and other cost pressures, some of which could not have been predicted. Improved service planning to forecast future levels of capacity and demand and how that can be commissioned within a finite budget envelope will continue to be an area of focus.

Previously Approved Supplementary Estimates

N/A

6. Supplementary Estimate - Sign Off

The following people have signed off this Supplementary Estimate	Evidence of Sign-off (email/121)	Date
Executive Director - Hugh Evans	Yes	26/09/2022
Cabinet Member – Cllr. Holland, Cllr King, Cllr Craig	Yes	26/09/2022
Section 151 Officer – Denise Murray	Yes	24/10/2022