



**CENTRAL SOUTH CONSORTIUM
REPORT FOR JOINT COMMITTEE**

22ND SEPTEMBER 2021

JOINT EDUCATION SERVICE

REPORT OF THE TREASURER – 2021/22 BUDGET

Author: Stephanie Davies – Head of Finance: Education and Financial Reporting Tel. No. 01443 680560

1. PURPOSE OF REPORT

- 1.1 To seek the Joint Committee's approval for proposed budget virements to be made to the 2021/22 revenue budget.
- 1.2 To provide Members with an update of the projected outturn for 2021/22 (projected as at August 2021).
- 1.3 To provide Members with a summary of 2021/22 grant funding allocations.

2. RECOMMENDATIONS

It is recommended that Members:

- 2.1 Note and approve the proposed budget virements within the 2021/22 budget.
- 2.2 Note the current outturn position for 2021/22.
- 2.3 Note the current grant position for 2021/22.

3. REVENUE BUDGET 2021/22

- 3.1 The 2021/22 revenue budget was agreed by Joint Committee on the 16th December 2020. Since this time, a number of proposed budget virements within categories of expenditure and income have been identified, informed by up dated service information, to more accurately reflect the actual costs to be incurred during the year. The overall effect of the

proposed virements would not impact upon the value of contributions from the constituent authorities and are shown in Table 1.

Table 1 – Proposed budget virements

Category	Original Budget 2021/22 £	Revised Budget 2021/22 £	Proposed Budget Virement £
Expenditure			
Employees	3,067,186	3,067,186	0
Premises	156,605	156,005	(600)
Transport	28,000	10,800	(17,200)
Supplies & Services	189,020	228,981	39,961
Commissioning	27,655	27,655	0
Support Services	114,566	119,250	4,684
Gross Expenditure	3,583,032	3,609,877	26,845
Income			
Local Authority Contributions	3,563,532	3,563,532	0
Grants & Other Income	19,500	46,345	(26,845)
Total Income	3,583,032	3,609,877	(26,845)
Net Expenditure	0	0	0

3.2 The main reasons for the proposed budget virements to the Original Budget set are as follows:

- Transport – the revised budget reflects a lower estimated expenditure requirement for the year due to the continued impact of COVID-19 (i.e. officers working from home and providing a range of support to schools remotely);
- Supplies & Services – an increase in budgeted expenditure primarily due to annual user licencing costs;
- Support Services – following the outcome of a review of support services received from the host authority, an increase in budget is required to reflect the full cost of services provided (noting that the proposed revised budget remains lower than the 2017/18 budgeted cost); and
- Grants and Other Income – the budgeted income has been revised based on more up to date information regarding the continuation of project support provided by Consortium staff to the ALN Transformation project led by Rhondda Cynon Taf County Borough Council.

- 3.3 The Joint Committee is requested to approve the proposed budget virements, as set out in Table 1, to more accurately reflect the actual costs to be incurred during the year.

Budget Monitoring 2021/22

- 3.4 A summary of the revised budget, projected outturn for the full year (projected as at August 2021) and variances are presented in Table 2.

Table 2 – Projected outturn position 2021/22

Category	Revised Budget 2021/22 £	Projected Out-turn 2021/22 £	Variance (Under) / Over spend £
Expenditure			
Gross Employees	3,067,186	3,065,678	(1,508)
Net Employees	3,067,186	3,065,678	(1,508)
Premises			
Rent	155,855	155,855	0
Maintenance	150	0	(150)
Other	0	18	18
Total Premises Cost	156,005	155,873	(132)
Transport	10,800	10,800	0
Supplies & Services			
Continuing Professional Development / Staff Adverts	51,774	51,774	0
Licences / Mobile & Telephone Charges / Computer Costs – Hardware / Software	94,261	97,703	3,442
External Audit & Actuary Fee, Employer Liability & Public Liability Insurance	53,020	53,520	500
Photocopying / Postage / Advertising / Stationery / General Office Expenses	29,926	26,848	(3,078)
Total Supplies & Services	228,981	229,845	864

Category	Revised Budget 2021/22 £	Projected Out-turn 2021/22 £	Variance (Under) / Over spend £
Commissioning	27,655	27,655	0
Support Services	119,250	119,250	0
Gross Expenditure	3,609,877	3,609,101	(776)
Income			
Local Authority Contributions	3,563,532	3,563,532	0
Grants & Other Income	46,345	46,345	0
Total Income	3,609,877	3,609,877	0
Net Expenditure	0	(776)	(776)

3.5 The projected outturn position (projected as at August 2021) is a £0.8k underspend and reasons for key variances are set out below:

- Employees (£2k projected underspend) –due to updated Improvement Partner staffing costs for the year; and
- Supplies and Services (£1k projected overspend) – estimated additional one-off costs to enable investment in ICT hardware to support the Consortium in developing further its school improvement capabilities that are partly offset by forecasted underspends across other Supplies and Services budget areas.

3.6 Members will be aware the Joint Committee at its 27th May 2021 meeting approved a £200k earmarked reserve to support the remodelling of the service over the medium term and £6k to support the delivery of a sensory project, with both reserves included in the draft certified Statement of Accounts for 2020/21. For the purposes of this budget monitoring update, both earmarked reserves are forecasted to be fully committed.

4. GRANT FUNDED SERVICE 2021/22

4.1 Table 3 sets out the 2021/22 grant allocations received by the Consortium from Welsh Government as at August 2021.

Table 3 – 2021/22 grant allocations

Grant	Total Grant	Retained to Fund National Priorities	Delegated to Schools/Local Authorities
	2021-22 £	2021-22 £	2021-22 £
Regional Consortia School Improvement Grant (including match funding)	50,194,101	5,436,962	44,757,139
Welsh Language Framework	77,800	77,800	0
Pupil Development Grant *	37,581,970	318,056	37,263,914
Main	28,984,600	0	28,984,600
Early Years	5,913,300	0	5,913,300
Children Looked After	2,028,600	122,896	1,905,704
Education Other Than At School	277,150	0	277,150
PDG Consortia Led	278,320	95,160	183,160
Pupil Development Grant Adviser	100,000	100,000	0
Total	87,853,871	5,832,818	82,021,053

* Award of funding letter is yet to be issued by Welsh Government. Pupil Development Grant funding is based on indicative allocations provided by Welsh Government.

Regional Consortia School Improvement Grant 2021/22

- 4.2 For Members information, the total award of funding is £47,205,079 for the period 1st April 2021 to 31st March 2022 and is also subject to Local Authority match funding of £2,989,022 (equating to a total grant of £50,194,101 as per Table 3).
- 4.3 With specific regard to the Regional Consortia School Improvement Grant, funding will support the Consortium to deliver against Welsh Government national priorities for education, at the centre of which is a transformational curriculum and a focus on four key enabling objectives (the outcomes will be supported by a range of measures as outlined in the Consortium's Business Plan):
- Developing and delivering a high-quality education profession;
 - Inspirational leaders working collaboratively to raise standards;
 - Strong and inclusive schools committed to excellence, equity and well-being; and

- Robust assessment, evaluation and accountability arrangements supporting a self-improving system.
- 4.4 The Consortium has updated its Grants Register to reflect the position set out in Table 3 and will continue to monitor expenditure to ensure the use and effectiveness of grants are maximised across the region.

5. CONCLUSIONS

- 5.1 Following the Joint Committee approving the 2021/22 revenue budget on the 16th December 2020, a number of proposed budget virements have been identified, informed by up dated service information, to more accurately reflect the actual costs to be incurred during the year.
- 5.2 The projected outturn position for the full year is a £0.8k underspend (projected as at August 2021) and the Consortium will continue to closely monitor and manage its resources and report up dates to Joint Committee throughout the year.
- 5.3 The 2021/22 Grants Register has been updated to reflect the current grant funding position.

LOCAL GOVERNMENT ACT 1972

AS AMENDED BY

THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

22ND SEPTEMBER 2021

CENTRAL SOUTH CONSORTIUM JOINT COMMITTEE

List of background papers

Freestanding matter

Officer to Contact :

Stephanie Davies

Tel no. 01443 680560