

**EDUCATION, LEARNING & SKILLS DIRECTORATE SUMMARY**  
**JUNE 2013-14 FULL MONITORING REPORT**

**1. REVENUE**

1.1		Cash Limit	Variance Before Mgmt Action	Management Action	Net Variance after Mgmt Action
	<b>Total (excl Schools) (£k)</b>	+53,430	-802	-	-802
	<b>Schools (£k)</b>	-	+1,504	-	+1,504
	<b>Directorate Total (£k)</b>	<b>+53,430</b>	<b>+702</b>	<b>-</b>	<b>+702</b>

1.2 **Table 1** below details the revenue position by A-Z budget:

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	G	I	N	N		
	£'000	£'000	£'000	£'000	£'000	
<b>Education, Learning &amp; Skills portfolio</b>						
<b>Delegated Budget:</b>						
Schools Delegated Budgets	711,038.1	-711,038.1	0.0	+1,504	+1,504	Drawdown from school reserves for 20 expected academy converters and 2 school closures
<b>TOTAL DELEGATED</b>	<b>711,038.1</b>	<b>-711,038.1</b>	<b>0.0</b>	<b>+1,504</b>		
<b>Non Delegated Budget:</b>						
Strategic Management & Directorate Support budgets	8,643.3	-9,171.9	-528.6	+132	+398	New Kent Integrated Adolescent Support Service managed by ELS but covering services across directorates
					-213	<i>DSG variances over a number of headings, all less than £100k in value</i>
					-53	Other minor variances
<b>Children's Services - Education &amp; Personal</b>						
- 14 - 19 year olds	2,665.0	-1,335.8	1,329.2	+20		
- Attendance & Behaviour	3,833.9	-2,671.4	1,162.5	+20		
- Connexions	5,774.8	0.0	5,774.8	0		
- Early Years & Childcare	7,156.6	-5,841.6	1,315.0	-159	-114	<i>DSG variance - Quality and Outcomes part year vacancies and reduced non staffing spend</i>
					-45	Other minor variances

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	G	I	N	N		
	£'000	£'000	£'000	£'000	£'000	
- Early Years Education	51,050.0	-51,050.0	0.0	+1,214	+1,214	<i>DSG variance - additional week of provision for 3 &amp; 4 year olds falling in the 2013-14 financial year which has not been funded within the DfE DSG settlement.</i>
					+1,764	<i>DSG variance - greater than budgeted number of hours being provided for 3 &amp; 4 year olds due to increased parental demand</i>
					-1,764	<i>DSG variance - reduced demand for 2 year old placements</i>
- Education Psychology Service	3,004.4	-400.0	2,604.4	-299	-179	Traded income from schools for non statutory psychology services
					-83	Staff vacancies
					-37	Other minor variances
- Individual Learner Support	8,642.4	-7,579.0	1,063.4	-327	-108	Minority Community Achievement Service (MCAS) income from schools in excess of costs
					-149	Portage staff vacancies and non staff savings offset by the write off of old debts <i>(includes a DSG variance of -£104k)</i>
					-70	Other minor variances
- Statemented Pupils	5,491.1	-5,491.1	0.0	0		
	87,618.2	-74,368.9	13,249.3	+469		
<b>School Budgets:</b>						
- Independent Special School Placements	14,924.0	-14,924.0	0.0	+3,944	+3,944	<i>DSG variance - Increased number of pupils in independent and non maintained special school placements</i>
- PFI Schools Schemes	23,810.0	-23,810.0	0.0	0		
- Pupil Referral Units	16,142.4	-16,142.4	0.0	0		
	54,876.4	-54,876.4	0.0	+3,944		
<b>Schools Services:</b>						
- Non Delegated Staff Costs	2,644.0	-2,541.0	103.0	+19		
- Other Schools Services	7,595.1	-7,189.8	405.3	-7		

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	G	I	N	N			
	£'000	£'000	£'000	£'000	£'000		
- Redundancy Costs	1,188.7	-1,188.7	0.0	0			
- School Improvement	8,521.4	-6,135.8	2,385.6	-3			
- Teachers & Education Staff Pension Costs	7,954.0	-2,684.0	5,270.0	+136	+136	Increase in annual capitalization payments	
	27,903.2	-19,739.3	8,163.9	+145			
<u>Transport Services</u>							
- Home to College Transport & Kent 16+ Travel Card	3,174.2	-1,720.0	1,454.2	-500	+230	SEN pupils receiving Home to College transport	This pressure is expected to be ongoing & will be addressed in the 2014-17 MTFP
					-730	Income from the 16+ card in excess of costs	This additional income is expected to be ongoing & will be reflected in the 2014-17 MTFP
- Mainstream HTST	11,517.3	-20.0	11,497.3	-1,567	-1,567	Lower than budgeted numbers of pupils travelling and the full year impact of transport policy changes, (although this forecast remains an estimate until the pupil numbers for the new academic year are available)	This saving is expected to be ongoing & will be reflected in the 2014-17 MTFP
- SEN HTST	17,207.5	0.0	17,207.5	+1,322	+1,322	Higher than budgeted numbers of pupils travelling with overall costs also influenced by other factors	This pressure is expected to be ongoing & will be addressed in the 2014-17 MTFP
	31,899.0	-1,740.0	30,159.0	-745			
<u>Assessment Services</u>							
- Assessment & Support of Children with Special Education Needs	7,319.1	-4,932.4	2,386.7	0			
<b>TOTAL NON DELEGATED</b>	<b>218,259.2</b>	<b>-164,828.9</b>	<b>53,430.3</b>	<b>+3,945</b>			
- <i>Transfer to(+)/from(-) DSG reserve</i>				<i>-4,747</i>	<i>-4,747</i>	<i>drawdown from DSG reserve to offset +£4,727k of DSG variances explained above &amp; other smaller DSG variances</i>	
<b>TOTAL NON DELEGATED after tfr to/from DSG reserve</b>	<b>218,259.2</b>	<b>-164,828.9</b>	<b>53,430.3</b>	<b>-802</b>			
<b>Total ELS portfolio</b>	<b>929,297.3</b>	<b>-875,867.0</b>	<b>53,430.3</b>	<b>+702</b>			

**ANNEX 1**

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	G	I	N	N			
	£'000	£'000	£'000	£'000	£'000		
<b>Assumed Mgmt Action</b>							
- ELS portfolio				0			
<b>Total Forecast <u>after</u> mgmt action</b>	<b>929,297.3</b>	<b>-875,867.0</b>	<b>53,430.3</b>	<b>+702</b>			

## 2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

### 2.1 Number of schools with deficit budgets compared with the total number of schools:

	2010-11	2011-12	2012-13	2013-14
	as at 31-3-11	as at 31-3-12	as at 31-3-13	projection
Total number of schools	538	497	463	442
Total value of school reserves	£55,190k	£59,088k	£48,124k	£46,620k
Number of deficit schools	17	7	8	3
Total value of deficits	£2,002k	£833k	£364k	£2,126k

#### Comments:

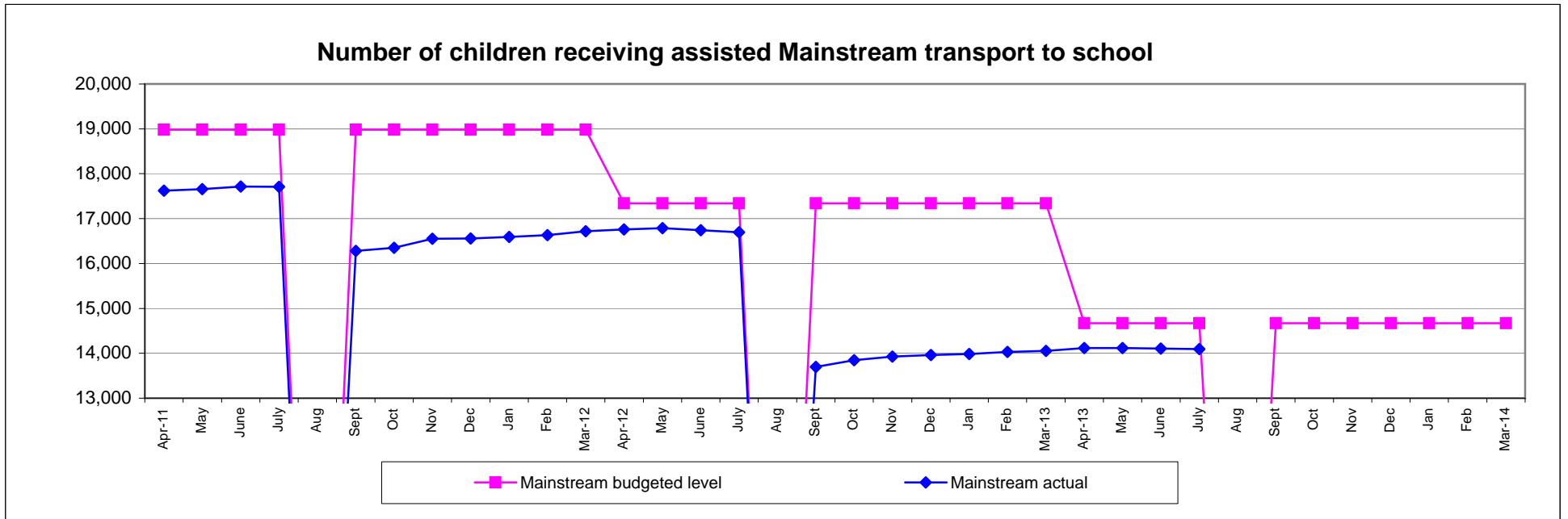
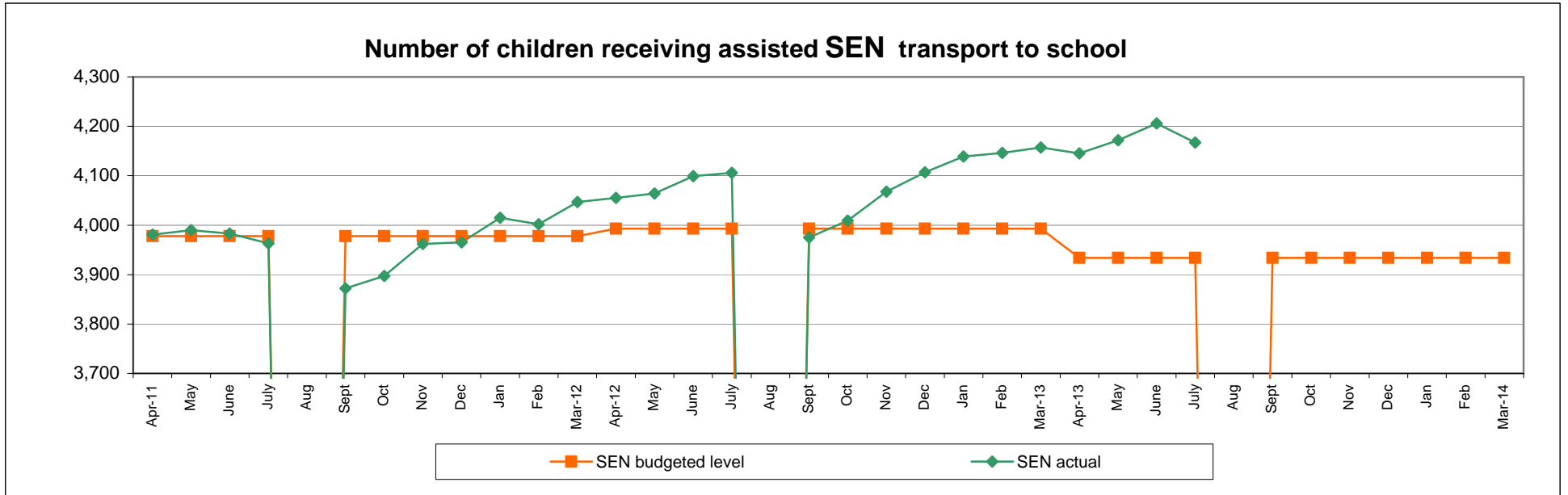
- The information on deficit schools for 2013-14 has been obtained from the schools 3 year plans completed in spring/early summer 2013 and show 3 schools predicting a deficit at the end of year 1. The Local Authority receives updates from schools through budget monitoring returns from all schools after 6 months, and 9 months as well as an outturn report at year end but these only include information relating to the current year. School's Financial Services have been working with these 3 schools to reduce the risk of a deficit in 2013-14 and with the aim of returning the schools to a balanced budget position as soon as possible. This involves agreeing a management action plan with each school.
- KCC has a "no deficit" policy for schools, which means that schools cannot plan for a deficit budget at the start of the year. Unplanned deficits will need to be addressed in the following year's budget plan, and schools that incur unplanned deficits in successive years will be subject to intervention by the Local Authority.
- The number of schools is based on the assumption that 20 schools (including 3 secondary schools and 17 primary schools) will convert to academies before the 31st March 2014. In addition, 2 schools are closing and 1 new school is opening.
- The estimated drawdown from schools reserves of £1,504k assumes 20 schools convert to academy status and 2 schools close. The value of school reserves and deficits are very difficult to predict at this early stage in the year and further updates will be provided in future monitoring reports once we have collated the first monitoring returns from schools.

## 2.2 Number of children receiving assisted SEN and Mainstream transport to schools

	2011-12				2012-13				2013-14			
	SEN		Mainstream		SEN		Mainstream		SEN		Mainstream	
	Budget level	actual	Budget level	actual	Budget level	actual	Budget level	actual	Budget level	actual	Budget level	actual
Apr	3,978	3,981	18,982	17,620	3,993	4,055	17,342	16,757	3,934	4,145	14,667	14,119
May	3,978	3,990	18,982	17,658	3,993	4,064	17,342	16,788	3,934	4,172	14,667	14,119
Jun	3,978	3,983	18,982	17,715	3,993	4,099	17,342	16,741	3,934	4,206	14,667	14,106
Jul	3,978	3,963	18,982	17,708	3,993	4,106	17,342	16,695	3,934	4,167	14,667	14,093
Aug	0	0	0	0	0	0	0	0	0	0	0	0
Sep	3,978	3,872	18,982	16,282	3,993	3,975	17,342	13,698	3,934	0	14,667	0
Oct	3,978	3,897	18,982	16,348	3,993	4,009	17,342	13,844	3,934	0	14,667	0
Nov	3,978	3,962	18,982	16,553	3,993	4,068	17,342	13,925	3,934	0	14,667	0
Dec	3,978	3,965	18,982	16,556	3,993	4,107	17,342	13,960	3,934	0	14,667	0
Jan	3,978	4,015	18,982	16,593	3,993	4,139	17,342	13,985	3,934	0	14,667	0
Feb	3,978	4,002	18,982	16,632	3,993	4,146	17,342	14,029	3,934	0	14,667	0
Mar	3,978	4,047	18,982	16,720	3,993	4,157	17,342	14,051	3,934	0	14,667	0

## Comments:

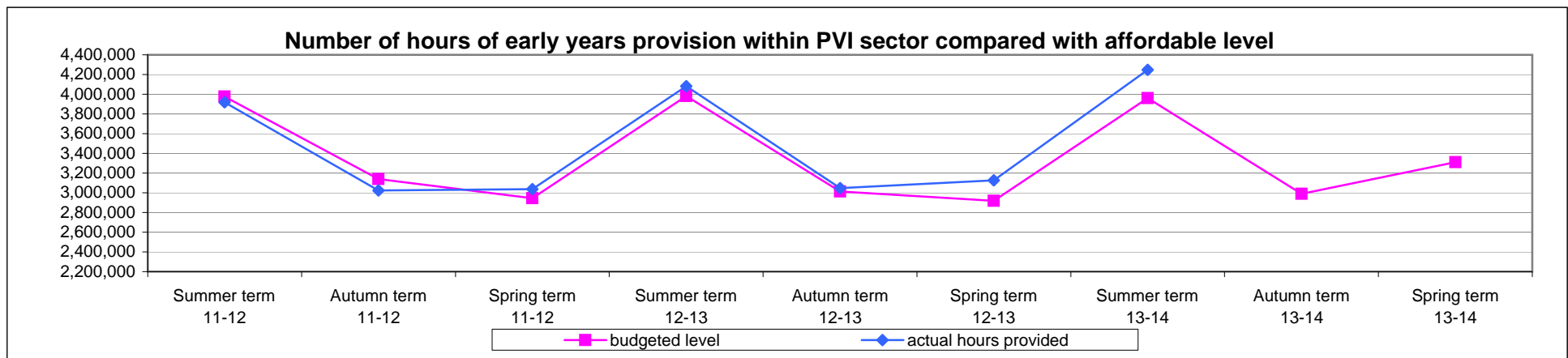
- **SEN HTST** – The number of children travelling is higher than the budgeted level and there are also a number of other factors which contribute to the overall cost of the provision of transport such as distance travelled and type of travel. A gross pressure of +£1,322k is therefore reported in table 1.
- **Mainstream HTST** – The number of children receiving transport is lower than the budgeted level, therefore a gross underspend of £1,567k is reported in table 1, but as the numbers requiring transport for the 2013-14 academic year are still to be confirmed, this position could change.



**2.3 Number of hours of early years provision provided to 3 & 4 year olds within the Private, Voluntary & Independent Sector compared with the affordable level:**

	2011-12		2012-13		2013-14	
	Budgeted number of hours	Actual hours provided	Budgeted number of hours	Actual hours provided	Budgeted number of hours	Actual hours provided *
Summer term	3,976,344	3,917,710	3,982,605	4,082,870	3,961,155	4,247,445
Autumn term	3,138,583	3,022,381	3,012,602	3,048,035	2,990,107	
Spring term	2,943,439	3,037,408	2,917,560	3,125,343	3,310,417	
<b>TOTAL</b>	<b>10,058,366</b>	<b>9,977,499</b>	<b>9,912,767</b>	<b>10,256,248</b>	<b>10,261,679</b>	<b>4,247,445</b>

\* The figures for actual hours provided are constantly reviewed and updated, so will always be subject to change



**Comments:**

- The budgeted number of hours per term is based on an assumed level of take-up and the assumed number of weeks the providers are open. The variation between the terms is due to two reasons: firstly, the movement of 4 year olds at the start of the Autumn term into reception year in mainstream schools; and secondly, the terms do not have the same number of weeks.
- The current activity suggests a pressure of £2.978m, which is due to an additional week of provision for 3 and 4 years olds falling in the 2013-14 financial year which has not been funded within the DfE DSG settlement and additional hours as a result of increased parental demand. As this budget is entirely funded from DSG, any surplus or deficit at the year end must be carried forward to the next financial year in accordance with the regulations and cannot be used to offset over or underspending elsewhere within the directorate budget, therefore this pressure will be transferred to the schools unallocated DSG reserve at year end, as reflected in table 1 of this annex.
- It should be noted that not all parents currently take up their full entitlement and this can change during the year.



### 3. CAPITAL

3.1 The Education, Learning & Skills Directorate has a working budget (excluding schools ) for 2013-14 of £149,868k. The forecast outturn against the 2013-14 budget is £147,163k giving a variance of - £2,705k.

3.2 **Table 2** below details the ELS Capital Position by Budget Book line.

Budget Book Heading	Three year cash limit (£000)	2013-14 Working Budget (£000)	2013-14 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance	Project Status <sup>1</sup>	Explanation of Project Status	Actions
<b>Rolling Programmes</b>									
Annual Planned Enhancement Programme	24,255	12,718					Green		
Devolved Formula Capital Grants for Pupil Referral Units	537	442					Green		
<b>Individual Projects</b>									
<b>Basic Need Schemes - to provide additional pupil places:</b>									
Future Basic Need Schemes	43,506	36,801					Green		
Dunton Green	800	800					Green		
Goat Lees Primary School, Ashford	2,194	2,951					Green		
Repton Park Primary School, Ashford	19	210					Green		
Ryarsh Primary School, Ryarsh	169	169					Green		
<b>Modernisation Programme - Improving and upgrading school buildings including removal of temporary classrooms:</b>									
Modernisation Programme - Wrotham	8	4					Green		

Budget Book Heading	Three year cash limit (£000)	2013-14 Working Budget (£000)	2013-14 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance	Project Status <sup>1</sup>	Explanation of Project Status	Actions
Modernisation Programme - Future Years	5,992	2,087	-1,875	-1,875	Real - DfE grant	Halfway House to be funded from Priority Schools Building Programme	Green		
St Johns / Kingsmead Primary School, Canterbury	1,544	2,405					Green		
<b>Special Schools Review</b> - major projects supporting the special schools review									
Special Schools Review phase 1	24	663					Green		
Special Schools Review phase 2	40,330	9,362					Green		
The Wyvern School, Ashford (Buxford Site)	1	1					Green		
<b>Primary Improvement Programme</b>	85	237					Green		
<b>Academy Projects:</b>									
Academies Unit Costs	778	1,183					Green		
Maidstone New Build, New Line Learning	0	31					Green		
Longfield New Build	0	358					Green		
Maidstone New Build, Cornwallis	0	67					Green		
Spires New Build	0	2					Green		
Marsh Academy, New Romney	888	887					Green		
The John Wallis C of E Academy	7,615	7,387					Green		
The Knowle Academy	13,557	14,735					Green		
Dover Christ Church	10,119	7,791					Green		
Astor of Hever	9,236	11,199					Green		
Duke of York	21,816	16,968					Green		

Budget Book Heading	Three year cash limit (£000)	2013-14 Working Budget (£000)	2013-14 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance	Project Status <sup>1</sup>	Explanation of Project Status	Actions
Wilmington Enterprise College	7,387	7,289					Green		
Isle of Sheppey Academy	6,108	3,610					Green		
Skidders Kent Academy, Tunbridge Wells	489	1,611					Green		
<b>Building Schools for the Future Projects:</b>									
BSF Wave 3 Build Costs	2,104	905					Green		
BSF Unit Costs (including SecTT)	0	669					Green		
<b>Other Projects:</b>									
Nursery Provision for Two Year Olds	2,468	2,468					Green		
Schools Self Funded projects - Quarryfield / Aldington Eco Centre	0	32					Green		
Specialist Schools	0	325					Green		
Platt CEPS	0	91					Green		
One-off Schools Revenue to Capital	1,881	1,999					Green		
Unit Review	1,108	1,263	-830	-825	Real - Prudential -5 Rephasing	Good design and cost management reduced overall project costs	Green		
Vocational Education Centre Programme	0	148					Green		
Sevenoaks Grammar Schools annexe	5,000	0					Green		
<b>Total</b>	<b>210,018</b>	<b>149,868</b>	<b>-2,705</b>	<b>-2,705</b>					

<sup>1</sup> Project Status: Green = on time and within budget, Amber = either delayed completion date or over budget, Red = both delayed and over budget