

EDUCATION SERVICES OVERVIEW & SCRUTINY COMMITTEE

Q2 FINANCIAL MONITORING POSITION FOR 2024/25

19th November 2024

Tanya Collier



Walsall Council

PROUD OF OUR PAST OUR PRESENT AND FOR OUR FUTURE

Contents

- 1 Forecast Overview
- 2 Key Variances
- 3 Movement from previous month
- 4 Reserves
- 5 Risks
- 6 2024/25 STP Summary
- 7 Capital Forecast

1. Forecast Overview

The forecast revenue outturn for 2024/25 for the services under the remit of the Education Overview & Scrutiny Committee as at P6 (September 2024) is an overspend of **£2.52m**.

For completeness, the forecast revenue overspend for services under the remit of the Children's Services Overview and Scrutiny Committee is an overspend of £2.59m. This gives a total forecast position of an overspend of £5.11m for Children's Services directorate as of 30 September 2024.

This is broken down further in Table 1 of the report.

2. Key Variances

The key variances contributing to the services overspend of **£2.52m** are:

- **£2.61m** Home to school transport due to the impact of increased demand in 2023/24 over and above budget (28% increase vs 14% budgeted) and increase in average costs linked to market pressures.
- **(£0.09m)** Other in-year net underspend on Access & Inclusion due to staff underspends from vacancies and temporary staff recharges.

The above is detailed in Table 2 of the report.

3. Movement from Jun 24 (P3) to Sep 24 (P6)

The forecast outturn position as at Period 3 (Jun 24) was an overspend of £2.55m therefore there is a net decrease in the forecast overspend of **(£0.03m)**. The main reasons for this movement are:

- **£0.06m** – Home to School Transport overspend increased due to higher than anticipated pupil numbers in September 2024 (1,266 vs 1,249) and the impact of this throughout the remainder of the financial year.
- **(£0.09m)** – Reduction in staffing costs due to vacant posts and use of external funding to support in year staffing costs.

The above is detailed in Section 3.5 of the report.

4. Reserves

The total allocated reserves for 2024/25 for services under the remit of this committee are £2.70m, of which (£0.42m) has been used or committed to date and £0.18m will be transferred to reserves at the year-end, ringfenced for expected spend in 2025/26.

Further information around the reserves can be found in section 3.6 and Table 4 of the report.

5. Risks

Low Impact (Green) **£0.49m** Medium Impact (Amber) **£0.00m** High Impact (Red) **£1.17m**

For the services under the remit of this committee, there are total risks of **£1.66m** which are not included in the above forecast. At this stage the risks are not a certainty and as such are not included in the monitoring position.

If any risks became a certainty, they would need to be included in the forecast position as an overspend, unless alternative action can be identified to mitigate these costs.

Further information around the risks can be found in section 3.7 and Tables 5 of the report.

6. 2024/25 STP Summary

Included within the budget for 2024/25 for services within the remit of this Committee are £0.56m of approved savings of which:

- £0.11m has been fully achieved to date;
- £0.45m is not expected to be achieved in this financial year.

Further information around the risks can be found in section 3.8 and Table 6 of the report.

7. Capital Forecast

The capital programme for the services under the remit of the Education Overview and Scrutiny Committee, as at the end of September 2024, is £23.32m. As at September, it was expected that £14.97m will be fully spent within the current financial year and the remaining £8.35m will be carried forward into 2025/26.

Further information around the risks can be found in section 3.9 and Table 7 of the report.