

Committee	Dated:
Education Board	8 November 2018
Subject: Education Board Revenue Budgets – 2019/20	Public
Report of: The Chamberlain Director of Community & Children’s Services	For Decision

Summary

This report is the annual submission of the revenue budgets overseen by the Education Board. In particular it seeks approval for the provisional revenue budget for 2019/20 for subsequent submission to the Finance Committee. The budgets have been prepared within the resources allocated to the Director and although delegated to the Director, a detailed breakdown of the budget will be presented to this Committee in January 2019 similar to the process adopted in the last three years for the Board to have an oversight of expenditure. The provisional nature of the revenue budgets particularly recognises that further revisions may arise from the necessary realignment of funds resulting from corporate projects.

Summary Of Table 1	Original Budget 2018/19 £'000	Latest Approved Budget 2018/19 £'000	Original Budget 2019/20 £'000	Movement Original 2018/19 to Original Budget 2019/20 £'000
Expenditure	(2,325)	(2,405)	(2,642)	(317)
Total Net Expenditure	(2,325)	(2,405)	(2,642)	(317)

Overall, the 2019/20 provisional revenue budget totals £2.6m, an increase of £317,000 when compared with the Original Budget for 2018/19. The main reasons for this increase are:

- Additional funding in 2019/20 of £305,000 for Culture Mile Learning which was agreed by Policy & Resources Committee on 6 September 2018.
- 2019/20 local risk budgets include 2% increase for inflation which amounts to £12,000.

Recommendations

The Committee is asked to:

- Review the provisional 2019/20 revenue budget to ensure that it reflects the Committee’s objectives and, if so, approve the budget for submission to the Finance Committee;
- Authorise the Chamberlain to revise these budgets to allow for further implications arising from the agreement by this Committee of specific allocations of funding to Academies and Central Support Services.

Main Report

Introduction

1. The Education Board is responsible for reviewing the strategy and making recommendations to Committees and the Court as appropriate for the delivery of the City Corporation's vision and strategic objectives in this area. The Board will also have responsibility for distributing funds allocated to it for educational purposes. In addition it will be responsible for the City academy schools and the City Corporation's role as a school sponsor.
2. This report sets out the proposed revenue budgets for 2019/20. The revenue budget management arrangements are to:
 - Provide a clear distinction between local risk and central risk.
 - Place responsibility for budgetary control on departmental Chief Officers.
 - Apply a cash limit policy to Chief Officers' budgets.
3. The budget has been analysed by service expenditure and compared with the latest approved budget for the current year.
4. The report also compares the current year's budget with the forecast outturn.

Strategic Objectives

5. The Education Board has oversight over the delivery of three City Corporation strategies, namely: the Education Strategy 2019-2023, the Skills Strategy 2018-2023, and the Cultural and Creative Learning Strategy 2018-2023. Whilst standing alone as three distinct strategic areas, these strategies overlap and interconnect to deliver one vision for the City Corporation: To prepare people to flourish in a rapidly changing world through exceptional education, cultural and creative learning, and skills which link to the world of work.
6. The strategies can also be broken down into their individual strategic objectives:

Education

- Harness talent by enabling pupils in the Family of Schools to learn and to flourish as innovative, confident and creative individuals.
- Deliver academic excellence in learning and teaching through a broad and balanced curriculum.
- Drive equality of opportunity through a proactive approach to promoting social mobility and inclusion.
- Ensure a comprehensive strategy for skills and careers development in the City Family of Schools.

Skills

- Deliver a 'step-change' in the development of critical skills, knowledge and competences to provide the necessary skills to meet the challenges of the rapidly changing world of work.
- Improve the experience and the success of learners including learners impacted by disadvantage.
- Create a stronger focus on entrepreneurship, creativity and innovation.
- Ensure we have the resources, space and models to deliver our distinctive portfolio of courses.

Cultural and Creative Learning

- Integrate digital and creative ideas into the schools and creating more connected routes for pupils and teachers to access the cultural and heritage offer.

- Deliver a distinctive City Corporation education and skills offer that ensures that all learners receive a high quality and continuous education both in and through the arts.
- Support our cultural organisations to appeal to wider audiences through outreach and learning initiatives and working outdoors.
- Work towards achieving a diverse, creative workforce that mirrors the diversity of the community.

Proposed Revenue Budget for 2019/20

7. The proposed Revenue Budget for 2019/20 is shown in Table 2 analysed between:
- Local Risk budgets – these are budgets deemed to be largely within the Chief Officer’s control.
 - Central Risk budgets – these are budgets comprising specific items where a Chief Officer manages the underlying service, but where the eventual financial outturn can be strongly influenced by external factors outside of his/her control or are budgets of a corporate nature (e.g. interest on balances and rent incomes from investment properties).
8. The provisional 2019/20 budgets, under the control of the Director of Community & Children’s Services being presented to your Committee, have been prepared in accordance with guidelines agreed by the Policy and Resources and Finance Committees.

Analysis of Service Expenditure	Local or Central Risk	Actual 2017-18 £’000	Original Budget 2018-19 £’000	Original Budget 2019-20 £’000	Movement 2018-19 to 2019-20 £’000	Para Ref
EXPENDITURE						
Employees	L	(199)	(231)	(327)	(96)	
Supplies and Services	L	(287)	(364)	(585)	(221)	
Academy funding	C	(800)	(1,730)	(1,730)	0	
TOTAL NET EXPENDITURE		(1,286)	(2,325)	(2,642)	(317)	7

9. The variance relates to increased funding of £305k to cover costs associated with Culture Mile Learning along with additional funding of £12k to accommodate inflation.

Revenue Budget 2018/19

10. The forecast outturn for the current year is in line with the Latest Approved Budget of £2,405k. Appendix 1 shows the movement between the Original Budget 2018/19 and the Latest Approved Budget 2018/19.

Mark Jarvis

Chamberlain’s Department
T: 020 7332 1221
E: Mark.Jarvis@cityoflondon.gov.uk

Louise Said

Chamberlain’s Department
T: 0207 332 1917
E: Louise.Said@cityoflondon.gov.uk

Appendix 1

	£'000
Original Budget 2018/19	(2,325)
Local Risk carry forward from Directors underspend in 2017/18	(18)
Additional budget in relation to a successful bid from the Priorities Investment pot. This was to fund a family of schools safeguarding lead	(62)
Latest Approved Budget 2018/19	(2,405)