

Committee(s): Education Board	Dated: 07/12/2023
Subject: Revenue Budgets 2024/25	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	3,7,8
Does this proposal require extra revenue and/or capital spending?	N
Report of: Director of Community & Children's Services and the Chamberlain	For Decision

Summary

This report is the annual submission of the revenue budgets overseen by your Committee. It seeks approval to the provisional revenue budget for 2024/25, for subsequent submission to the Finance Committee. The proposed budget for 2024/25 has been prepared within the resource envelope allocated to each Director by Resource Allocation Sub Committee.

The provisional nature of the revenue budgets particularly recognises that further revisions may arise from the necessary realignment of funds resulting from decisions at Policy & Resources Committee.

Table 1 Summary	Original Budget 2023/24	Latest Approved Budget 2023/24	Original Budget 2024/25	Movement Original 2023/24 to Original Budget 2024/25
	£'000	£'000	£'000	£'000
Local Risk	(814)	(821)	(863)	(49)
Central Risk	(2,226)	(2,226)	(2,226)	-
Support Services	(2)	(2)	(2)	-
Total Net Expenditure	(3,042)	(3,049)	(3,091)	(49)

Overall, the 2024/25 provisional revenue budget totals £3.091m, an increase of £49,000 when compared with the Original Budget for 2023/24. The main reasons for this increase are:

- 2024/25 local risk budgets include a 3% inflation uplift amounting to £25,000;
- 2024/25 local risk budget was increased by £24,000 in relation to the July 23 pay award.

Recommendations

Members are asked to:

- Review the provisional 2024/25 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;
- Agree that minor amendments for 2023/24 and 2024/25 budgets arising during budget setting be delegated to the Chamberlain.

Main Report

Introduction

1. The Education Board is responsible for reviewing the strategy and making recommendations to Committees and the Court as appropriate on 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 Corporation's role as an academy sponsor.
2. This report sets out the proposed revenue budgets for 2024/25. 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, the Skills Strategy, and the Cultural and Creative Learning Strategy. 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

- Deliver a changed focus and approach to developing skills, knowledge and competencies based on harnessing talent and developing skills for 21st Century success.
- Deliver academic excellence in teaching and learning to improve academic attainment and progress.

- Drive equality of opportunity through a proactive approach to promoting social mobility and inclusion, as well as good health and wellbeing.
- Deliver a comprehensive strategy for skills and careers development in the Family of Schools.
- Provide a high quality cultural and creative offer for all pupils from early years to post-16, delivering sustained education in and through the arts and culture.

Skills

- Deliver a changed approach for adult learners, focused on the development of critical skills, knowledge, and competencies to meet the challenges of the rapidly changing world of work.
- Continue to improve the quality of teaching and learning in adult education, training, and apprenticeships.
- Improve the learning experience and learning outcomes for adult learners impacted by educational and social disadvantage.
- Link learning at all stages with real-world application, improving the transition of learners at critical stages in education and training.
- Forge and maintain dynamic relationships with our City, UK and international partners in industry, higher education, further education, the cultural sector, and local communities.

Cultural and Creative Learning

- Create connected routes for pupils and teachers to access the cultural and heritage offer in the City, providing opportunities for creative and cultural experiences to enrich learning.
- Support our cultural organisations to appeal to wider audiences through outreach and learning initiatives and working outdoors.
- Deliver a distinctive City Corporation education and skills offer based on the development of Fusion Skills, in part developed through creative learning and participating in arts and culture.
- Ensure young people have the knowledge, skills, and networks to prepare them for careers in the arts, cultural, creative and hybrid sectors.

Proposed Revenue Budget for 2024/25

7. The proposed Revenue Budget for 2024/25 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 budget/s of a corporate nature (e.g., interest on balances and rent incomes from investment properties).
 - Support Services– these cover budgets for services provided by one activity to another. The control of these costs is exercised at the point where the expenditure or income first arises as local or central risk.

8. The provisional 2024/25 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.

TABLE 2 COMMUNITY & CHILDREN'S SERVICES SUMMARY – CITY'S CASH						
Analysis of Service Expenditure	Local or Central Risk	Actual	Original	Original	Movement	Para Ref
		2022-23 £'000	Budget 2023-24 £'000	Budget 2024-25 £'000	2023-24 to 2024-25 £'000	
EXPENDITURE						
Employees	L	(448)	(424)	(415)	9	9
Employees	C	(185)*	-	-	-	
Premises Related Expenses	L	(3)				
Supplies and Services	L	(379)	(390)	(448)	(58)	
Fees and Services	C	-	-	-	-	
City Premium Grants	C	(1,414)	(1,458)	(1,458)	-	
Partnership Project Grants	C	(384)	(384)	(384)	-	
Strategic Project Grants	C	(384)	(384)	(384)	-	
Supplementary Revenue Project	C	14	-	-	-	
INCOME						
Other Contributions	L	2	-	-	-	
SUPPORT SERVICES						
Central Support Services		-	(2)	(2)	-	
TOTAL NET EXPENDITURE		(3,181)	(3,042)	(3,091)	(49)	

* The 2022/23 actual included a £105,000 adjustment for costs relating to the flexible retirement pension strain costs, a £81,000 adjustment in relation to redundancy costs.

9. Increase of £58,000 in relation to Supplies and Services is largely due to two maternity leaves continue into 2024/25 with one of the posts having been covered at additional cost.

Revenue Budget 2023/24

10. The forecast outturn for the current year is on budget when compared with the Latest Approved Budget of £3.049m. **Appendix 1** shows the movement between the Original Budget 2023/24 and the Latest Approved Budget 2023/24.

Draft Capital and Supplementary Revenue Budgets

1. The latest estimated costs of the Committee’s current approved capital and supplementary revenue projects are summarised in the Table below.

Project	Exp. Pre 01/04/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	Later Years £'000	Total £'000
Authority to start work						
City of London Academy Islington New Build (Richard Cloudesley School)	(23,015)	(208)	-	-	-	(23,223)
TOTAL EDUCATION BOARD	(23,015)	(208)	-	-	-	(23,223)

2. This project has created an asset owned by the City of London Academy Islington.
3. The latest Capital and Supplementary Revenue Project forecast expenditure on approved schemes will be presented to the Court of Common Council for formal approval in March 2024.

Appendices

- Appendix 1 – Movement between 2023/24 Original Budget and 2023/24 Latest Approved Budget

Mark Jarvis
Chamberlain’s Department
E: Mark.Jarvis@cityoflondon.gov.uk

Beatrix Jako
Chamberlain’s Department
E: Beatrix.Jako@cityoflondon.gov.uk

Appendix 1: Movement between 2023/24 Original Book Budget and 2023/24 Latest Approved Budget

	£'000
Original Budget 2023/24	(3,042)
Increase in Local Risk budget due to winter payment consolidated into the base pay for all employees from July 2023	(7)
Latest Approved Budget	(3,049)