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| **Directorate** | **Chief Executive** |
| **Combined Tracker Ref.** | **FRB/23/004** |
| **Service Director** | **Dev Gopal** |
| **Service Area** | **Accountancy Services Employee Overspend** |
| **Service Manager** | **Rustum Setna (FT4100 & FT4110)** |
| **Activity/Cost centres** | **Level 3 FFAC (covers FF1000. FT4100,FT4110, FT5000, FT6000 and FT7000)** |
| **22/23 Budget £’000** | **2,550** |
| **22/23 Outturn £’000** | **2,940** |
| **23/24 Budget £’000** | **3,078** |
| **Pressure on this activity in 23/24 (based on 22/23 outturn) £’000** | **79** |

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| **Explain the context behind this pressure and what has caused it**   * **Since when has the budget been in deficit (provide the year, e.g. 2020/21)** * **Provide details of activity levels and the key cost/income drivers and how these have changed (this is needed for each year including the year prior to when the budget was first in deficit)** |
| The net budget across FT4100 and FT4110 has been in deficit since 20/21.  Activity levels have fallen as some maintained schools either convert to academies or an infants and junior school amalgamate to become a primary school. Also some schools prefer to have a full time member of staff rather than an LMS Advisor once a week, and so have recruited to the post that we were filling for them.  Year 17/18 18/19 19/20 20/21 21/22 22/23  No. of Schools 56 54 53 50 48 46  Net under recovery -£55k -£22k -£40k £66k £30k £52k  One school is converting to an academy 1st August 2023.  Schools are facing increasing cost pressures and so are resistant to buying additional services. In the last 2 years especially, staffing and energy costs have significantly increased. |

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| **What action(s) can be taken to keep 23/24 spend in line with approved budget?**   * **What needs to be done? If there is more than one option explain each option in detail** * **Are there any barriers or factors beyond your control that will affect your ability to recover the deficit?** * **Explain how the cost/income drivers can be managed** |
| We cannot stop schools from becoming academies. Some volunteer to go and some are directed to go by the DfE.  We are looking for new work to replace the lost work. If a business manager or finance manager leaves the school we will stand in until the school recruits. We’ll then offer training and ongoing support for the new person. We looked into working for schools outside of Luton but the schools thought that we were too far away. We have not recruited to one of our posts and it is likely that we will only recruit to one of the two posts that will become vacant in April 2024. We are promoting our availability to cover maternity, sickness, etc. |

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| **Timescale for budget deficit recovery**   * **List the key milestones required to deliver the budget recovery, the estimated amount to be delivered and the estimated date for each** | | |
| MILESTONE DETAILS | £ | Date |
| Deficit to be £10k less than it was in 22/23, despite losing more schools | 5,000 | 30/09/23 |
| Deficit to be £10k less than it was in 22/23, despite losing more schools | 2,000 | 31/12/23 |
| Deficit to be £10k less than it was in 22/23, despite losing more schools | 3,000 | 31/03/24 |
| April 2024 there will be 2 staff retiring. We will only replace one of them therefore providing a saving of around £50k pa | 50,000 | 31/05/24 |
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| **Quarterly Monitoring updates**   * **Provide quarterly progress updates against milestone delivery to align with the quarterly budget monitoring reports to executive. Where milestones have not been met please provide an explanation, revised milestone dates, and how delivery can be brought back on track** * **If the recovery plan cannot be delivered, THERE IS NO NEW MONEY AVAILABLE so please provide an alternative proposal as to how budgets can be realigned so that it can be considered by DMT** | |
| **QUARTER 1 (to 30/06/23)** | |
| On Target ? (Yes = GREEN; Partial (e.g. milestones slipped) = AMBER, No = RED) |  |
| Provide narrative below | |
| No intentions to recruit to the vacant post. 2 x retirements still going ahead in April 24 and only intending to replace one of those posts. Actively searching out new work. | |
| **QUARTER 2 (to 30/09/23)** | |
| On Target ? (Yes = GREEN; Partial (e.g. milestones slipped) = AMBER, No = RED) |  |
| Provide narrative below | |
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| **QUARTER 3 (to 31/12/23)** | |
| On Target ? (Yes = GREEN; Partial (e.g. milestones slipped) = AMBER, No = RED) |  |
| Provide narrative below | |
| Position remains the same above until the structure is looked into. | |
| **QUARTER 4 (to 31/03/24)** | |
| On Target ? (Yes = GREEN; Partial (e.g. milestones slipped) = AMBER, No = RED) |  |
| Provide narrative below | |
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