



## Skills & Employment Committee

**17 June 2024**

Title:	Budget and Performance Report
Report of:	Bruna Menegatti, Finance Manager
Lead Member:	Councillor Lucy Nethsingha, Chair of the Skills & Employment Committee
Public Report:	Yes
Key Decision:	No
Voting Arrangements:	No vote required.

### Recommendations:

A	Note the budget of the Skills Division for the financial year 24/25.
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### Strategic Objective(s):

The proposals within this report fit under the following strategic objective(s):

x	Achieving ambitious skills and employment opportunities
x	Achieving good growth
x	Achieving best value and high performance

### 1. Purpose

1.1	To provide information on the Skills Division's budget for 2024/25.
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### 2. Revenue Income and Expenditure 2024/2025

2.1	<b><u>SUMMARY</u></b> <b><u>Income:</u></b> The total budget for the year is £14.4m, of which £12m is AEB. <b><u>Expenditure:</u></b> The total revenue budget for the year is £17.5m, of which £1.1m is slipped from the previous financial year. The budget also includes capital budget of £2.2m for the FE cold spot programme.
2.2	<b><u>Income headlines</u></b> <ul style="list-style-type: none"><li>The total budget for the year is of £14.4m. This represents what has been approved by the CA board at the end of March.</li><li>Most of the income is from AEB devolved funding £12m (<i>row 1</i>).</li><li>Following the approval from the CA board, DfE has agreed to provide funds for Bootcamp Wave 5 of £2.9m to be spent in the period from April 24 to September 25.</li></ul>

2.3

**Table 1 Skills Grant Income**

Skills Grant Income	24/25 MTFP £k	23/24 Deferral £k	24/25 Total budget £k
1. AEB Devolved Funding	- 11,973	-	-11,973
2. AEB Free Courses for Jobs	- 954	-	-954
3. Careers and Enterprise Company Funding	-77	-	-77
4. Multiply Grant	- 1,395	-	-1,395
<b>Total Skills Grant Income</b>	<b>- 14,399</b>	<b>-</b>	<b>-14,399</b>

2.4

**Revenue Expenditure headline**

Total budget approved by the CA board in March is £16.4m.

More than three quarter of the total budget (£12.9m) is allocated to the AEB programme, which included AEB Devolution Programme (*row 1*), Free Courses for Job (*row 2*), Innovation funds (*row 3*) and Programme costs (*row 4*).

Slippage of £1.6m is also available to spend during the financial year 2024/25.

Nearly half of the slippage (£0.7m) is related to AEB Innovation funds (*row 3*). This is due to delays in the delivery plan in 2023/24.

The table below does not include Bootcamp Wave 5 as it was launched by DfE following the budget approval. The expenditure split between 24/25 and 25/26 has not been finalised as the tenders have not been awarded to providers yet.

2.5

**Table 2 Revenue Expenditure**

Revenue Expenditure	24/25 MTFP £k	23/24 Deferral £k	24/25 Total budget £k
1. AEB Devolution Programme	10,846	-	10,846
2. AEB Free Courses for Job	954	-	954
3. AEB Innovation Funds (revenue)	500	695	1,195
4. AEB Programme costs	602	-	602
5. Career and Enterprise Company (CEC)	161	-	161
6. Changing future	60	-	60
7. FE Cold Spots (rev)	-	207	207
8. Multiply Programme	1,395	-	1,395
9. Skills Bootcamp Wave 3	-	25	25
10. Skills Bootcamp Wave 4	1,359	-	1,359
11. UK SPF Skills	564	173	737
12. Delivering Health and Wellbeing Skills Strategy	-	500	500
<b>Total Revenue Expenditure</b>	<b>16,441</b>	<b>1,600</b>	<b>18,041</b>

2.6

**Capital Expenditure headline**

Total budget approved by the CA board in March is £2.2m, allocated to FE cold spot.

The FE cold spot programme is currently in the discovery phase. Grant Thornton are conducting a phase one feasibility study which will be presented to Skills Committee on 29<sup>th</sup> July.

2.7

**Table 3 Capital Expenditure**

Capital Expenditure	24/25 MTFP £k	23/24 Deferral £k	24/25 Total budget £k
FE Cold spot	2,175	-	2,175
<b>Total Revenue Expenditure</b>	<b>2,175</b>	<b>-</b>	<b>2,175</b>

### 3. Implications

#### Financial Implications

3.1	There are no additional financial implications other than those included in the main body of the report.
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#### Legal Implications

3.2	The Combined Authority is required to prepare a balanced budget in accordance with statutory requirements.
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#### Public Health Implications

3.3	N/A
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#### Environmental & Climate Change Implications

3.4	N/A
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#### Other Significant Implications

3.5	N/A
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#### Background Papers

3.6	None
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