

EDUCATION BUDGET SUB-COMMITTEE

Minutes of the meeting held at 7.00 pm on 31 July 2012

Present:

Councillor Neil Reddin FCCA (Chairman)
Councillors Nicholas Bennett J.P., Lydia Buttinger and
David McBride

Also Present:

David Bradshaw, Head of Education and Care Services Finance
Lesley Moore, Deputy Director of Finance

1 APPOINTMENT OF CHAIRMAN AND VICE-CHAIRMAN

RESOLVED that Councillor Neil Reddin be appointed Chairman for the 2012/13 municipal year, and that the appointment of Vice-Chairman be considered at the next meeting of the Education Budget Sub-Committee.

2 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Nicky Dykes. Apologies for absence were also received from Councillor Stephen Wells, Portfolio Holder for Education.

3 DECLARATIONS OF INTEREST

The Chairman noted that the Declarations of Interest made by Members at the meeting of Education PDS Committee on 12th June 2012 were taken as read.

4 QUESTIONS FROM MEMBERS OF THE PUBLIC ATTENDING THE MEETING

No questions had been received from members of the public.

5 TERMS OF REFERENCE FOR THE EDUCATION BUDGET SUB COMMITTEE

Report ED12018

The Education Budget Sub-Committee agreed the draft Terms of Reference of the Sub-Committee subject to the Membership section being amended to read:

“The membership of the Education Budget Sub-Committee shall consist of five Councillors drawn from the membership of the Education Policy Development and Scrutiny Committee.”

RESOLVED that:

- 1) The draft Terms of Reference be agreed, subject to the above amendment; and,**
- 2) The draft Terms of Reference be referred to the next meeting of the Education Policy Development and Scrutiny Committee for endorsement.**

6 EDUCATION PORTFOLIO BUDGET MONITORING REPORT 2012/13

Report ED12016

The Sub-Committee considered a report setting out the budget monitoring position for the Education Portfolio based on expenditure to the end of May 2012. The Schools' Budget, funded from the Dedicated Schools' Grant and specific grants, was forecast to spend in line with budget. The Non-Schools' Budget, funded from Council Tax, Revenue Support and specific grants was also forecast to spend in line with budget.

In considering the budget monitoring position, the Chairman queried what level of Dedicated Schools Grant was held in contingency by the Local Authority and whether this had been impacted by the move of a number of schools in the Borough to academy status. The Head of Education and Care Services Finance confirmed that approximately £1m was currently held in contingency. The Local Authority was responsible for distributing the Dedicated Schools Grant to Borough schools. This was allocated through a formula agreed in partnership with the Schools' Forum, and was decided on a number of factors including pupil numbers. The formula allowed a proportion of the Dedicated Schools Grant to be held centrally, which currently represented approximately £40m of £220m.

In response to a query from a Member around retaining more of the Dedicated Schools Grant, the Head of Education and Care Services Finance confirmed that funding was able to be allocated how the Council wished but that the Schools Forum would have to be in agreement with any funding changes if there was a disproportionate shift of funding away from schools to centrally retained funding. Funding for academy schools was also allocated via the formula, however this was top-sliced from the Dedicated Schools Grant by the Department for Education and provided to schools directly.

With regard to the future distribution of the Dedicated Schools Grant, the Head of Education and Care Services confirmed that the formula would be limited to around six determining factors from 2013/14, with pupil numbers remaining the biggest factor.

Members requested that a report on the new DSG formula arrangements be provided to the next meeting of the Education Budget Sub-Committee. Councillor Nicholas Bennett JP also requested that the Sub-Committee be provided with details of the total controllable budget for the Education Portfolio.

RESOLVED that:

- 1) The latest 2012/13 budget projection for the Education Portfolio be noted; and,**
- 2) The Education Portfolio Budget Monitoring Report 2012/13 be recommended to the Portfolio Holder for approval.**

7 CHILDREN AND YOUNG PEOPLE OUTTURN REPORT 2011/12

Report ED12017

The Sub-Committee considered a report outlining the final outturn position for the 2011/12 financial year. This showed an underspend of £751,000 against a budget of £31,549,000 for the controllable element of the Children and Young People budget, which represented a 2.4% variation. After allowing for the net £120,000 carry forward request agreed by the Executive on 20th June 2012, the final outturn position for 2011/12 was £631k.

In considering the final outturn position for 2011/12, the Chairman queried the overspend in SEN and Inclusion services which had been the result of pupil placements in both the Schools' Budget and the non-Schools' Budget. The Head of Education and Care Services Finance confirmed that children with disabilities may require both an education and social care element to their placement which would impact both budgets. A general moratorium had been introduced during the year on all non-essential running costs across these services, including recruitment to non-essential posts, which had realised savings of £300,000 to contribute towards the overspend. The Head of Education and Care Services Finance confirmed that where appropriate vacant posts had been deleted to support cost reduction. Councillor Nicholas Bennett JP outlined a recent SEN Transport Appeal which had been approved prior to the appeal being heard, and was concerned at the cost implications of any further appeals.

Another Member highlighted that the Total Non Controllable Budget for 2011/12 had increased from the original budget of £10,375,000 to £36,432,000 and queried the reason for this. The Deputy Director of Finance confirmed that this increase was as a result of changes made to the accounting rules on capital charges and had no affect on the budget. It was noted that the Executive were required to agree all budget variations.

RESOLVED that:

- 1) The underspend of £751,000 on controllable expenditure at the end of 2011/12 be noted;**
- 2) The net carry forwards totalling £120,000 agreed by the Executive on 20th June 2012 be noted; and,**
- 3) The Children and Young People Outturn Report 2011/12 be recommended to the Portfolio Holder for approval.**

8 ANY OTHER BUSINESS

In discussing future areas for the Education Budget Sub-Committee to consider, the Chairman requested that the draft budget for 2013/14 be provided to the next meeting of the Sub-Committee. Councillor Nicholas Bennett JP highlighted the need to look at the cost of Special Educational Needs services and, in considering the impact of small schools on Revenue Support Grant, requested that information be provided on primary schools across the Borough. Councillor David McBride also asked that information on external grants and shared funding arrangements for services in the Education Portfolio be provided to the Sub-Committee.

RESOLVED that the issues raised be noted.

9 DATE OF NEXT MEETING

The date of the next meeting of the Education Budget Sub-Committee would be confirmed shortly.

10 LOCAL GOVERNMENT ACT 1972 AS AMENDED BY THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) (VARIATION) ORDER 2006 AND THE FREEDOM OF INFORMATION ACT 2000

RESOLVED that the press and public be excluded during consideration of the items of business listed below as it was likely in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the press and public were present, there would be disclosure to them of exempt information.

11 DETAILED EDUCATION PORTFOLIO BUDGET 2012/13

The Sub-Committee considered the report and supported the recommendations.

The Meeting ended at 8.25 pm

Chairman