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DATE: 24 July 2012

To: Members of the
EDUCATION BUDGET SUB-COMMITTEE

Councillors Nicholas Bennett J.P., Lydia Buttinger, Nicky Dykes, David McBride and Neil Reddin FCCA

A meeting of the Education Budget Sub-Committee will be held at Bromley Civic Centre on **TUESDAY 31 JULY 2012 AT 7.00 PM**

MARK BOWEN
Director of Resources

Copies of the documents referred to below can be obtained from
www.bromley.gov.uk/meetings

AGENDA

- 1 APPOINTMENT OF CHAIRMAN AND VICE-CHAIRMAN**
- 2 APOLOGIES FOR ABSENCE**
- 3 DECLARATIONS OF INTEREST**
- 4 QUESTIONS FROM MEMBERS OF THE PUBLIC ATTENDING THE MEETING**
In accordance with the Council's Constitution, questions to this Committee must be received in writing 4 working days before the date of the meeting. Therefore please ensure questions are received by the Democratic Services Team by 5pm on Wednesday 25th July 2012.
- 5 TERMS OF REFERENCE FOR THE EDUCATION BUDGET SUB COMMITTEE**
(Pages 3 - 6)
- 6 EDUCATION PORTFOLIO BUDGET MONITORING REPORT 2012/13** (Pages 7 - 14)
- 7 CHILDREN AND YOUNG PEOPLE OUTTURN REPORT 2011/12** (Pages 15 - 28)
- 8 ANY OTHER BUSINESS**
- 9 DATE OF NEXT MEETING**

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

The Chairman to move that the Press and public be excluded during consideration of the items of business listed below as it is 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.

Items of Business

Schedule 12A Description

**11 DETAILED EDUCATION PORTFOLIO BUDGET
2012/13 (Pages 29 - 76)**

Information relating to any individual.

Report No.
ED12018

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: **Education Budget Sub-Committee**

Date: **31 July 2012**

Decision Type: Non-Urgent Non-Executive Non-Key

TITLE: TERMS OF REFERENCE FOR THE EDUCATION BUDGET SUB-COMMITTEE

Contact Officer: David Bradshaw, Head of Education and Care Services Finance
Tel: 020 8313 4807 E-mail: david.bradshaw@bromley.gov.uk

Chief Officer: Tessa Moore, Assistant Director of Education

Ward: Boroughwide

1. REASON FOR REPORT

- 1.1 At its meeting on 12 June 2012, the Education PDS Committee decided to establish an Education Budget Sub-Committee. This report reviews the terms of reference for the new Sub-Committee.

2. RECOMMENDATIONS

2.1 The Education Budget Sub-Committee are invited to:

- (i) consider the Terms of Reference for the Sub-Committee;**
- (ii) refer the Terms of Reference, subject to any amendments by the Sub Committee, to the Education PDS Committee for endorsement.**

Corporate Policy

1. Policy Status: Not Applicable:
 2. BBB Priority: Children and Young People:
-

Financial

1. Cost of proposal: Not Applicable:
 2. Ongoing costs: Not Applicable:
 3. Budget head/performance centre: N/A
 4. Total current budget for this head: N/A
 5. Source of funding: N/A
-

Staff

1. Number of staff (current and additional): N/A
 2. If from existing staff resources, number of staff hours: N/A
-

Legal

1. Legal Requirement: No Statutory Requirement:
 2. Call-in: Not applicable – this report does not involve an executive decision.
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): N/A
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments:

3. COMMENTARY

- 3.1 The draft Terms of Reference are set out below for review and comment by the Sub-Committee. Once reviewed they will be submitted to the Education Policy Development and Scrutiny Committee for approval.

Non-Applicable Sections:	Policy Implications Financial Implications Legal Implications Personnel Implications
Background Documents: (Access via Contact Officer)	None

**Draft Terms of Reference
Education Budget Sub Committee**

1. Purpose

- 1.1 The Education Budget Sub-Committee (EBSC) shall be responsible for overseeing budget, monitoring and outturn activities across the Education Portfolio.

2. Scope

- 2.1 The EBSC shall be responsible for scrutinising the following areas of the Education Portfolio's business activities:
- a) Advising the Policy Development and Scrutiny Committee on Budgeting.
 - b) Scrutinising the Education Portfolio budgets.
 - c) Scrutinising the outturn of the Education Portfolio budgets.
 - d) Considering changes that occur to grant funding streams.
 - e) Making recommendations to the Policy Development and Scrutiny Committee with regard to funding and finance including savings and efficiencies and grant changes

3. Membership

- 3.1 The membership of the Education Portfolio Budget Sub-Committee shall consist of five Councillors.

4. Relationships

- 4.1 The EBSC shall report to Education Policy Development and Scrutiny Committee on a regular basis on its activities - reports will usually be forwarded to the Policy Development and Scrutiny Committee as information items

5. Meeting Arrangements

- 5.1 The EBSC shall normally meet five times a year to accord with meetings of the Education Policy Development and Scrutiny Committee

6. Review

- 6.1 These terms of reference shall be kept under review by the Education Policy and Scrutiny Committee. The EBSC can recommend changes to the terms of reference and these must be considered at the next Policy and Scrutiny meeting.

Report No.
ED12016

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: **Education Budget Sub-Committee**

Date: **31 July 2012**

Decision Type: Non-Urgent Executive Non-Key

TITLE: EDUCATION PORTFOLIO BUDGET MONITORING REPORT 2012/13

Contact Officer: David Bradshaw, Head of Education and Care Services Finance
Tel: 020 8313 4807 E-mail: david.bradshaw@bromley.gov.uk

Chief Officer: Tessa Moore, Assistant Director of Education

Ward: Boroughwide

1. REASON FOR REPORT AND SUMMARY OF BUDGET POSITION

- 1.1 This report reviews budget monitoring based on expenditure to the end of May 2012.
- 1.2 The Schools' Budget is funded from Dedicated Schools' and Specific grants and is forecast to spend in line with the budget.
- 1.3 The Non-Schools' Budget is funded from Council Tax, Revenue Support and Specific grants and the controllable part of it is forecast to spend in line with the budget.

2. RECOMMENDATIONS

2.1 The Education PDS Budget Sub-Committee are invited to:

- (i) consider the latest 2012/13 budget projection for the Education Portfolio;
- (ii) refer the report to the Portfolio Holder for approval.

Corporate Policy

1. Policy Status: Not Applicable:
 2. BBB Priority: Children and Young People:
-

Financial

1. Cost of proposal: Not Applicable:
 2. Ongoing costs: Not Applicable:
 3. Budget head/performance centre: CYP Portfolio budgets
 4. Total current budget for this head: £21m
 5. Source of funding: RSG, Council Tax, DSG, other grants
-

Staff

1. Number of staff (current and additional): 1,920 Full Time Equivalent, of which 1,510 are based in schools.
 2. If from existing staff resources, number of staff hours: N/A
-

Legal

1. Legal Requirement: Statutory Requirement:
 2. Call-in: Applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): N/A
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments:

3. COMMENTARY

- 3.1 The 2012/13 projected outturn for the Education Portfolio is detailed in Appendix 1A, broken down over each division within the service, explaining in detail the reason for any variance. Appendix 1B provides notes on some of the major services.

The Schools' Budget

- 3.2 An element of the Education budget within Education and Care Services (ECS) department is classed as Schools budget and is funded by the Dedicated schools Grant (DSG) this is projected to spend as per budget. Legislation requires that any variance should be carried forward to the next financial year. Details are contained within Appendix 2.

The Non-Schools' Budget

- 3.3 An element of the Education budget within ECS is classed as Non Schools Budget and this is projected to spend as per budget. Details are contained within Appendix 2.
- 3.4 Costs attributable to individual services have been classified as "controllable" and "non-controllable" in Appendix 1A. Budget holders have full responsibility for those budgets classified as "controllable" as any variations relate to those factors over which the budget holder has influence and control. "Non-controllable" budgets are those which are managed outside of individual budget holder's service and, as such, cannot be directly influenced by the budget holder in the shorter term. These include for example cross departmental recharges and capital financing costs. This ensures clear accountability by identifying variations within the service that controls financial performance. Members should specifically refer to the "controllable" budget variations relating to portfolios in considering financial performance.

4. POLICY IMPLICATIONS

- 4.1 "Building a Better Bromley" refers to the Council's intention to remain among the lowest Council Tax levels in Outer London through greater focus on priorities.
- 4.2 The Resources Portfolio Plan has the target that each department will spend within its budget.
- 4.3 "Updates on Financial Strategy 2012/13 to 2015/16" will be reported to the Executive highlighting the pressures facing the Council.
- 4.4 Chief Officers and Heads of Finance stress the need for strict budget monitoring to minimise the risk of compounding pressures in future years. It is key to performance management.

5. FINANCIAL IMPLICATIONS

- 5.1 The 2012/13 budget for the Education Portfolio is projected to be balanced at the year end based on the financial information as at 31 May 2012
- 5.2 Other financial implications are contained in the body of this report and Appendix 2 provides more detailed notes on the major services.

Non-Applicable Sections:	Legal Implications Personnel Implications
Background Documents: (Access via Contact Officer)	2012/13 Budget Monitoring files in ECS Finance Section

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2011/12 Actuals £'000	Division Service Areas	2012/13 Original Budget £'000	2012/13 Latest Approved £'000	2012/13 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	Education and Care Services Department							
	Education Division							
1,904	Access	1,813	1,813	1,813	0		0	0
4,564	SEN and Inclusion	5,087	5,087	5,087	0	1	0	0
0	Schools Budgets	0	0	0	0	2	0	0
1,845	Education Commissioning and Business Services	941	886	886	0		0	0
1,055	School Improvement	653	653	653	0		0	0
9,368		8,494	8,439	8,439	0			0
	Children's Social Care							
2,971	Children's Centres	1,980	1,980	1,980	0	} 3	0	0
1,046	Bromley Youth Support Programme	2,322	2,322	2,322	0		0	0
4,017		4,302	4,302	4,302	0		0	0
(11,001)	Early Intervention Grant	(12,010)	(12,010)	(12,010)	0		0	0
(11,001)		(12,010)	(12,010)	(12,010)	0		0	0
2,384	TOTAL CONTROLLABLE FOR EDUCATION - ECS	786	731	731	0		0	0
35,634	Total Non-Controllable	15,896	15,896	15,896	0		0	0
4,037	Total Excluded Recharges	4,460	4,460	4,460	0		0	0
42,055	TOTAL FOR EDUCATION PORTFOLIO - ECS	21,142	21,087	21,087	0		0	0
	Renewal & Recreation Department							
(291)	Adult Education Centres	(570)	(570)	(570)	0		0	0
(291)	TOTAL CONTROLLABLE FOR EDUCATION - R&R	(570)	(570)	(570)	0		0	0
610	Total Non-Controllable	438	438	438	0		0	0
129	Total Excluded Recharges	139	139	139	0		0	0
448	TOTAL FOR EDUCATION PORTFOLIO - R&R	7	7	7	0		0	0
42,503	TOTAL EDUCATION PORTFOLIO	21,149	21,094	21,094	0		0	0
	Memorandum Item							
	Sold Services							
	Education Development Centre (RSG Funded)	0	0	0	0	} 4		
	Education Development Centre (DSG Funded)	1,115	1,115	1,115	0			
	Education Psychology Service (RSG Funded)	0	0	0	0			
	Education Welfare Service (RSG Funded)	0	0	0	0			
	Behaviour Support (Secondary) (DSG Funded)	57	57	57	0			
	Behaviour Support (Primary) (DSG Funded)	76	76	76	0			
	Free School Meals (RSG Funded)	0	0	0	0			
	Sub Total Invest to Save projects	1,248	1,248	1,248	0		0	0

Reconciliation of latest approved budget

£'000

Original budget 2012/13

21,149

Realignment of salaries budgets between Portfolio's

(55)

Latest Approved Budget for 2012/13

21,094

1. SEN and Inclusion

The SEN area received with agreement of Members and the Schools Forum an additional £2.2m of Dedicated Schools Grant (DSG) to support continuing growth pressures. The majority of the funding went to schools to cover Matrix funding (lower levels of need), for the development of additional placements in the Special Schools, and for provision for children with complex needs. The remaining funds have been kept centrally to help contain pressures in independent and maintained day and boarding provision for children with higher end needs.

This area continues to be monitored closely as it is an area of high expenditure and risk. Regular checks on the provision are taking place to ensure quality and value for money and to drive down costs where applicable. Current projections indicate that expenditure will be on budget. Any over or underspends will be dealt with as part of the overall Dedicated Schools Grant funding envelope as described in note two below.

2. Schools Budgets (no impact on General Fund)

Expenditure on Schools is funded through the Dedicated Schools Grant (DSG) provided for by the Department for Education (DfE). DSG is ring fenced and can only be applied to meet expenditure properly included in the schools budget. The final DSG figure will be confirmed by DfE in the summer and will be dependant on finalising pupil numbers and academy conversions. Any overspend or underspend must be carried forward to the following years Schools Budget. At present it is assumed that the use of DSG will be neutral and will come in on budget overall. Close monitoring is continuing to take place on the more volatile areas such as Special Education Needs placements (See note 1 above).

DSG balances brought forward

At the end of the financial year 2011/12 there was an overall underspend in DSG funded services amounting to £1,698k. Any underspend or overspend has to be carried forward into the new financial year. The underspend was in the main due to funding held in contingency, where expenditure either did not take place or did at a reduced level. It has been assumed at this point in time that this funding will be spent in year on either containing any overspends that may occur, or funding specific one off projects. The default position would be to distribute the funding to schools although it has been a prudent policy in the past to keep a level of contingency to contain any unforeseen eventualities.

3. Referral and Assessment & Bromley Youth Support Programme

Although relating to Education, these budgets for Childrens Centres, The Music Service and Youth Support, come under the management responsibility of the Assistant Director for Children's Social Care.

4. Sold Services

Services sold to schools have, for the first time in 2012/13, been separated out to provide clarity in terms of the services being provided and the income generated from those services. DSG funded services are ultimately funded from the ring fenced DSG grant if there is any shortfall. RSG funded services would have to be funded from core Bromley funding.

Work is being carried out with Budget Managers to minimise the risk of a financial shortfall in these areas. Additional funding streams are being explored/tapped into and costs are being reduced in order to stay within financial limits. Major reorganisations have been carried out in the Education Development Centre which will have an impact on sold services, but these have yet to be worked through as they are not yet finalised. Other areas such as Education Psychology, Education Welfare and Behaviour Support have made adjustments to their staffing, running costs and service offer to reduce costs and increase income potential.

Sold services will continue to be monitored closely throughout the year. Current projections are that these services will have a neutral effect on the overall budget

As at May 2012, three services, all DSG related, were not operating at full cost recovery. Since then further work has been undertaken resulting in all but one (EDC DSG) now forecast to operate at full cost recovery

Waiver of Financial Regulations:

Since the last report to the Executive, no waivers have been actioned.

Virements Approved to date under Director's Delegated Powers

Details of virements actioned by Chief Officers under delegated authority under the Financial Regulations "Scheme of Virement" will be included in financial monitoring reports to the Portfolio Holder. Since the last report to Executive, no virements have been actioned.

Appendix 2

TABLE 1: SCHOOLS' BUDGET PART OF EACH SERVICE	2012/13 Original Budget £'000	2012/13 Latest Approved £'000	2012/13 May Projection £'000	Variation £'000	Notes in App2	Variation Last Reported £'000	Full Year Effect £'000
Access	14,653	14,653	14,653	0		0	0
SEN and Inclusion	21,273	21,273	21,273	0		0	0
Education Commissioning and Business Services	1,115	1,115	1,115	0		0	0
School Improvement	80	80	80	0		0	0
Schools Budgets	95,118	95,118	95,118	0		0	0
Dedicated Schools Grant & Pupil Premium	-133,008	-133,008	-133,008	0		0	0
Care and Resources	723	723	723	0		0	0
Bromley Youth Support Programme	46	46	46	0		0	0
MET FROM COUNCIL BUDGET	0	0	0	0		0	0
TABLE 2: NON-SCHOOLS BUDGETS FOR EACH SERVICE	2012/13 Original Budget £'000	2012/13 Latest Approved £'000	2012/13 May Projection £'000	Variation £'000		Variation Last Reported £'000	Full Year Effect £'000
Education Division							
Access	1,813	1,813	1,813	0		0	0
SEN and Inclusion	5,087	5,087	5,087	0		0	0
Education Commissioning and Business Services	940	885	885	0		0	0
School Improvement	654	654	654	0		0	0
Referral & Assessment	1,980	1,980	1,980	0		0	0
Bromley Youth Support Programme	2,322	2,322	2,322	0		0	0
	12,796	12,741	12,741	0		0	0
Early Intervention Grant	-12,010	-12,010	-12,010	0		0	
Total Education Controllable	786	731	731	0	0	0	0
TOTAL NON CONTROLLABLE & EXCLUDED	20,356	20,356	20,356			0	
TOTAL NON-SCHOOLS BUDGET	21,142	21,087	21,087	0	0	0	0
TABLE 3: TOTAL FOR EACH SERVICE	2012/13 Original Budget	2012/13 Latest Approved	2012/13 May Projection	Variation £'000		Last Reported £'000	Full Year Effect £'000
Education Division							
Access	16,466	16,466	16,466	0		0	0
SEN and Inclusion	26,360	26,360	26,360	0		0	0
Education Commissioning and Business Servs	2,055	2,000	2,000	0		0	0
School Improvement	734	734	734	0		0	0
Schools Budgets	95,118	95,118	95,118	0		0	0
Dedicated Schools Grant & Pupil Premium	-133,008	-133,008	-133,008	0		0	0
Early Intervention Grant	-12,010	-12,010	-12,010	0		0	0
Referral & Assessment	1,980	1,980	1,980	0		0	0
Bromley Youth Support Programme	2,322	2,322	2,322	0		0	0
TOTAL CONTROLLABLE FOR EDUCATION	17	-38	-38	0		0	0
TOTAL NON CONTROLLABLE & EXCLUDED	21,125	21,125	21,125	0		0	0
PORTFOLIO TOTAL	21,142	21,087	21,087	0	0	0	0

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Report No.
ED12017

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: **Education Budget Sub-Committee**

Date: **31 July 2012**

Decision Type: Non-Urgent Executive Non-Key

TITLE: CHILDREN AND YOUNG PEOPLE OUTTURN REPORT 2011/12

Contact Officer: David Bradshaw, Head of Education and Care Services Finance
Tel: 020 8313 4807 E-mail: david.bradshaw@bromley.gov.uk

Chief Officer: Tessa Moore, Assistant Director of Education

Ward: Boroughwide

1. REASON FOR REPORT AND SUMMARY OF BUDGET POSITION

1.1 This report provides the provisional final outturn position for 2011/12.

2. RECOMMENDATIONS

2.1 The Education PDS Budget Sub-committee are invited to:

- (i) note that there was an underspend of £751,000 on controllable expenditure at the end of 2011/12 and consider any issues arising out of it;
- (ii) note the net carry forwards totalling £120,000 agreed by the Executive as detailed in Appendix 5;
- (iii) refer the report to the Portfolio Holder for approval.

Corporate Policy

1. Policy Status: Not Applicable:
 2. BBB Priority: Children and Young People:
-

Financial

1. Cost of proposal: Not Applicable:
 2. Ongoing costs: Not Applicable:
 3. Budget head/performance centre: CYP Portfolio budgets
 4. Total current budget for this head: £74,213k
 5. Source of funding: RSG, Council Tax, DSG, other grants
-

Staff

1. Number of staff (current and additional): 5,162 Full Time Equivalent, of which 4,425 are based in schools, and 737 are based in the CYP department.
 2. If from existing staff resources, number of staff hours: N/A
-

Legal

1. Legal Requirement: Statutory Requirement:
 2. Call-in: Applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): N/A
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments:

3. COMMENTARY

- 3.1 This report provides an update of the final budget position for the Children and Young People (CYP) Portfolio PDS committee, which is broken down in detail in Appendix 1 and Appendix 2.
- 3.2 The final outturn for the 'controllable' element of the CYP budget in 2011/12 is an underspend of £751k against a budget of £31,549k, representing a 2.4% variation. This compares to the last reported figure of £298k underspent which was based on activity at the end of January 2012. After allowing for the net £120,000 carry forward request agreed by the executive on the 20 June, the final outturn position will be £631k.
- 3.3 Costs attributable to individual services have been classified as "controllable" and "non-controllable" in Appendix 1. Budget holders have full responsibility for those budgets classified as "controllable" as any variations relate to those factors over which the budget holder has influence and control. "Non-controllable" budgets are those which are managed outside of individual budget holder's service and, as such, cannot be directly influenced by the budget holder in the shorter term. These include for example cross departmental recharges and capital financing costs. This ensures clear accountability by identifying variations within the service that controls financial performance. Members should specifically refer to the "controllable" budget variations relating to portfolios in considering financial performance.
- 3.4 Appendix 3 provides a breakdown of any full year implications arising from the final 2011/12 outturn and Appendix 4 provides a detailed reconciliation of the original 2011/12 budget to the latest approved 2011/12 budget
- 3.5 On the 20th June the Executive approved a number of carry forward requests where cost pressures will follow through into 2012/13. Appendix 5 provides a detailed breakdown of all of the carry forward requests.
- 3.6 The main variations between the last reported monitoring in March and the outturn are:-

Non Schools Block

- 1) Increased pressures in Social Care with regard to placements
- 2) Additional savings across the Department in running costs and vacancies

Schools Block

- 1) Lower than anticipated costs in Special Education Needs placements
- 2) Increased volumes and cost in behaviour services
- 3) Carry forward into 2012/13 of unspent Dedicated schools Grant contingency

4. POLICY IMPLICATIONS

- 4.1 "Building a Better Bromley" refers to the Council's intention to remain among the lowest Council Tax levels in Outer London through greater focus on priorities.
- 4.2 The Resources Portfolio Plan has the target that each department will spend within its budget.
- 4.3 "Updates on Financial Strategy 2012/13 to 2015/16" will be reported to the Executive highlighting the pressures facing the Council.
- 4.4 Chief Officers and Heads of Finance stress the need for strict budget monitoring to minimise the risk of compounding pressures in future years. It is key to performance management.

5. FINANCIAL IMPLICATIONS

- 5.1 A detailed breakdown of the projected outturn by service area is shown in Appendix 1 and Appendix 2.

Non-Applicable Sections:	Legal Implications Personnel Implications
Background Documents: (Access via Contact Officer)	2011/12 Budget Monitoring files in ECS Finance Section

Children and Young People Portfolio Budget Monitoring Summary
2011/12 Outturn

2010/11 Actuals £'000	Division Service Areas	2011/12 Original Budget £'000	2011/12 Latest Approved £'000	2011/12 Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
1,189	Education Division Access	2,283	2,283	1,904	-379	1	-305	0
5,448	SEN and Inclusion	7,602	7,602	7,929	327	2	631	0
479	Commissioning and Business Services	1,840	1,810	754	-1,056	3	-810	0
1,258	School Improvement Services	1,574	1,574	1,497	-77	4	-252	0
8,374		13,299	13,269	12,084	-1,185		-736	0
N/A	Early Intervention Grant	-10,999	-10,999	-11,001	-2		0	
9,996	Safeguarding and Social Care Care and Resources	12,503	12,465	14,174	1,709	5i	1,557	50
2,038	Safeguarding and Quality Assurance	2,091	2,169	2,304	135	5i	-107	0
5,097	Safeguarding and Care Planning	2,996	2,937	2,841	-96	5i	0	0
3,789	Referral and Assessment	7,312	7,322	6,073	-1,249	5i & ii	-884	0
4,146	Bromley Youth Support Programme	3,324	3,313	3,232	-81	5iii	-64	0
25,066		28,226	28,206	28,624	418		502	50
	Strategy and Performance							
665	Research and Statistics	580	566	584	18		-55	0
450	Strategic Planning and Commissioning	425	507	507	0		-9	0
1,115		1,005	1,073	1,091	18	6	-64	0
34,555	TOTAL CONTROLLABLE BUDGETS	31,531	31,549	30,798	-751		-298	50
40,835	TOTAL NON CONTROLLABLE	10,375	36,432	36,432	0		-139	0
7,334	TOTAL EXCLUDED RECHARGES	6,172	6,232	6,232	0			0
82,724	TOTAL NON-SCHOOLS BUDGET	48,078	74,213	73,462	-751		-437	50
0	TOTAL SCHOOLS BUDGET	0	0	0	0	7	0	0
82,724	PORTFOLIO TOTAL	48,078	74,213	73,462	(751)		(437)	50

2010/11 Actuals £'000	TABLE 1: SCHOOLS' BUDGET PART OF EACH SERVICE	2011/12 Original Budget £'000	2011/12 Latest Approved £'000	2011/12 Final Outturn £'000	Variation £'000	Notes in App3	Variation Last Reported £'000	Full Year Effect £'000
12,063	Access	12,995	13,066	13,605	539		88	0
15,530	SEN and Inclusion	16,667	19,762	19,743	-19		408	0
412	Commissioning and Business Services	473	483	185	-298		-300	0
904	School Improvement Services	907	907	783	-124		-118	0
166,816	Schools Related Budgets	176,921	106,702	105,626	-1,076		-594	0
-195,830	Dedicated Schools Grant & Pupil Premium	-208,024	-140,981	-140,003	978		516	0
43	Research and Statistics	0	0	0	0		0	0
62	Strategic Planning and Commissioning	61	61	61	0		0	0
0	MET FROM COUNCIL BUDGET	0	0	0	0		0	0
2010/11 Actuals £'000	TABLE 2: NON-SCHOOLS AND SOCIAL CARE PARTS OF EACH SERVICE	2011/12 Original Budget £'000	2011/12 Latest Approved £'000	2011/12 Final Outturn £'000	Variation £'000		Variation Last Reported £'000	Full Year Effect £'000
	Education Division							
1,189	Access	2,283	2,283	1,978	-379	1	-305	0
5,448	SEN and Inclusion	7,602	7,602	8,233	327	2	631	0
479	Commissioning and Business Services	1,840	1,810	1,000	-1056	3	-810	0
1,258	School Improvement Services	1,574	1,574	1,322	-77	4	-252	0
8,374		13,299	13,269	12,533	-1,185		-736	0
N/A	Early Intervention Grant	-10,999	-10,999	-11,001	-2		0	
	Safeguarding and Social Care							
9,996	Care and Resources	12,503	12,465	14,022	1709	5i	1,557	0
2,038	Safeguarding and Quality Assurance	2,091	2,169	2,062	135	5i	-107	0
5,097	Safeguarding and Care Planning	2,996	2,937	2,937	-96	5i	0	0
3,789	Referral and Assessment	7,312	7,322	6,438	-1249	5i & 5ii	-884	0
4,146	Bromley Youth Support Programme	3,324	3,313	3,249	-81	5iii	-64	0
25,066		28,226	28,206	28,708	418		502	0
	Strategy and Performance							
665	Research and Statistics	580	566	584	18		-55	0
450	Strategic Planning and Commissioning	425	507	507	0		-9	0
1,115		1,005	1,073	1,091	18	6	-64	0
34,555	TOTAL CONTROLLABLE BUDGETS	31,531	31,549	31,331	-751		-298	0
40,835	TOTAL NON CONTROLLABLE	10,375	36,431	36,431			-139	
7,334	TOTAL EXCLUDED RECHARGES	6,172	6,232	6,232				
82,724	TOTAL NON-SCHOOLS BUDGET	48,078	74,212	73,994	-751		-437	0
Actuals £'000	TABLE 3: TOTAL FOR EACH SERVICE	Original Budget £'000	Latest Approved £'000	Final Outturn £'000	Variation £'000		Last Reported £'000	Full Year Effect £'000
	Education Division							
13,252	Access	15,278	15,349	15,509	160		-217	0
21,022	SEN and Inclusion	24,269	27,364	27,672	308		1,039	0
891	Commissioning and Business Services	2,313	2,293	939	-1,354		-1,110	0
2,162	School Improvement Services	2,481	2,481	2,280	-201		-370	0
166,816	Schools Related Budgets	176,921	106,702	105,626	-1,076		-594	0
-195,830	Dedicated Schools Grant & Pupil Premium	-208,024	-140,981	-140,003	978		516	0
N/A	Early Intervention Grant	-10,999	-10,999	-11,001	-2		0	
8,313		2,239	2,209	1,022	-1,187		-736	0
	Safeguarding and Social Care							
9,996	Care and Resources	12,934	12,465	14,174	1,709		1,557	
2,038	Safeguarding and Quality Assurance	2,091	2,169	2,304	135		-107	0
5,097	Safeguarding and Care Planning	2,565	2,937	2,841	-96		0	0
3,789	Referral and Assessment	7,312	7,322	6,073	-1,249		-884	0
4,146	Bromley Youth Support Programme	3,324	3,313	3,232	-81		-64	0
25,066		28,226	28,206	28,624	418		502	0
	Strategy and Performance							
664	Research and Statistics	580	566	584	18		-55	0
512	Strategic Planning and Commissioning	486	568	568	0		-9	0
1,176		1,066	1,134	1,152	18		-64	0
34,555	TOTAL CONTROLLABLE FOR CYP	31,531	31,549	30,798	-751		-298	0
40,835	TOTAL NON CONTROLLABLE	10,375	36,431	36,431	0		-139	0
7,334	TOTAL EXCLUDED RECHARGES	6,172	6,232	6,232	0		0	0
82,724	PORTFOLIO TOTAL	48,078	74,212	73,461	-751		-437	0

REASONS FOR VARIATIONS**1. Access - Cr £379k**

£'000

1. Education Welfare Service

i. The budget was reduced on the assumption that a full year of savings would be yielded from managing the Education Welfare Officers and Behaviour Support Services together. This was only achieved part way through 2011/12,

12

ii. Additional income from sold services and savings in supplies and services more than offsets the above

-40

-282. Pupil uniforms and transport awards

Savings from restrictions in awards

-89

2. Early Years

The savings achieved by holding posts vacant was greater than the January projections.

-273

Other net variations

11

-379**2. SEN and Inclusion - Dr £327k**

£'000

SEN Transport Contracts, Non-Schools' Budget component

Pupil volumes have risen and the service has been given a challenging savings target on the basis of expected savings from the re-tendering of contracts.

At the end of the year the budget was overspent by £10k, which was £56k less than anticipated

10

Children With Disabilities - Dr £398k

During the year there were several additional high cost placements for looked after children and at the end of the year there was an overspend of £398k.

The overspend was the result of pupil placements in both the Schools' Budget and the non-Schools' Budget and rigorous management action was taken to contain and reduce costs. The overspend was more than £80k less than forecast in January, reflecting some success in reducing costs by the on-going review of all the high cost residential placements.

398

Education Psychologists and SEN team staffing & other costs (net)

-120

Consultancy costs for ASD reprovision project and tribunal representation re placements

39

327

During the year a general moratorium was introduced on all non-essential running costs and vacancies frozen, other than for essential posts, with costs minimized for cover for vacant posts. The success of the savings arising from these actions was greater than anticipated in January and the overspend was reduced by £300k.

3. Education Commissioning & Business Services - Cr £1,056kCommissioned Services

£'000

Net effect of savings from consolidating former Sure Start Grant funded services into

Commissioned Services, restrictions on spending and shortfall of income from sold services

-806

This underspend was £236k greater than forecast in January and represents the early achievement of savings built into the 2012/13 budget.

Business Partnerships

The service is in transition to converting to a sold services basis and it has been successful in generating additional income from sales to schools. It has also generated income from external contracts and agreements. This additional income applies in the current year only, the 2012/13 budget has been set on the basis of the future shape of the service.

-250

-1,056**4. School Improvement Services - Cr £77k**

£'000

Savings from consolidating former Sure Start Grant funded services

-200

It was agreed that a contribution of £200k be made to an earmarked reserve for Bromley Welcare

200

Vacancy savings, Children in Care Education Service

-68

Other net variations

-9

-77

5. Safeguarding and Social Care Division - Dr 418k

5 i Children's Social Care Dr £1,775k

£'000

£'000

The main pressure on the Children's Social Care budget is the cost of children being placed in care. The following management action continued during the year to control the impact of the placements which can often be at high cost and can relate to children not previously known to Social Care.

- Review children in high cost residential and independent fostering.
- Further strengthened gate keeping. All placements were agreed and approved at CSC Placement Panel and by the Assistant Director for Social Care.
- Implementation of an Adolescent and Parenting Support Team to focus on preventing teenagers coming in to care.
- Joint work with the Housing Department to divert potential 16 plus homeless youngsters away from the care system to supported lodgings through Housing Division.
- A review of fostering provision and costs. A work programme is currently under way to increase the number of LBB foster placements and reduce dependency on Independent Foster Agencies as well as develop packages of support to carers to enable more challenging children to be cared for within foster homes.
- Introduction of rolling interview panels, a Children's Social Care micro-site on the Bromley website, and a two day short listing and invitation to interview turn around time for social work applications to support the recruitment and retention package.
- Tightly controlled purchasing of placements through negotiation, clear specifications, avoiding 'extras', achieving least expensive options where possible.

Care and Resources - £1,709k

Children's Placements	1,426	
UASC and UASC Leaving Care Grants - loss of income	161	
Housing Benefit for Care Leavers: under recovery of rent for over 18's	202	
Freezing of Saxon Centre Supplies & Services Budgets	-24	
Freezing of posts within Fostering Service and other savings	-56	
		1,709

The main reasons for the variations is an overspend on the Placement Budgets, loss of income relating to Unaccompanied Asylum Seeking Grants particularly for Care Leavers which results in the Council having to meet the full cost of their care. Other costs relate to the continued pressure on all Leaving Care budgets. Some savings were achieved in year to off-set some of the higher costs.

Safeguarding and Quality Assurance - £135k

Funding the Recruitment & Retention package	240	
Savings on the Training budget	-25	
Savings in staff advertising	-27	
Contribution will be made from the Child Death Overview Process budget to support QA	-14	
Additional income from the Children's Workforce Development Council	-39	
		135

The main reason for the variation is that a number of underspends were identified during the year to offset overspends with Children's Social Care. These savings were offset by the costs of the Recruitment and Retention package.

Safeguarding and Care Planning - Cr £96k

Savings on Section 17 budgets to off-set the costs of the NRPF clients.	-20	
Salaries overspend	12	
Early years provision met elsewhere in CYP	-88	
		-96

The main reasons for the variation is the charging of Summer Playschemes and other Children in Need provisions to the CYP Early Years service in the Education Division, other in year savings were also identified.

Referral and Assessment - £27k

Clients with No Recourse to Public Funds rose steadily during 2011-12. The costs are to accommodate and provide for families who cannot work, due to their legal status and do not receive benefits.	153	
Underspend on S17 budgets	-35	
Vacant post in the Teenage and Parent Support Service Team	-27	
Saving in salaries from the new Triage Team	-24	
Underspending in CAMHS grant	-40	
		27
		1,775

5 ii Bromley Children Project within Referral and Assessment Service - Cr 1,276k.

Following a decision made by Members in September, twelve of the eighteen Children's Centres were closed during the financial year. The savings achieved were £325k greater than anticipated in January, representing the early achievement of savings built into the 2012/13 budget.

The savings can be analysed as follows;

Savings in business rates against last years' accrual, charges were lower than expected	-124	
Savings are being made by holding posts vacant.	-91	
Central BCFP expenditure and income	-95	
Savings in the commissioning budget	-711	
Blenheim & Hawes Down Hub	-111	
Common Assessment Framework	-36	
Parent Partnership	-4	
Community Vision Hub	-104	-1,276

A carry forward request of £120k is being requested from this underspend to allow for any residual costs in 2012/13 relating to the centres that were closed.

5 iii. Bromley Youth Support Programme - Cr £81k

Youth - Savings from delayed appointments to vacant posts, running costs, and additional income.	-397	
Provision for costs arising from the remodelling of targeted youth support service.	400	
Youth Offending Team - Savings were made on a mix of areas including grant income, salaries and running expenses.	-84	-81
		418

6. Strategy & Performance Division - £18k

Additional income from services sold to schools	-48
Additional IT maintenance costs (£69k higher than forecast in January)	86
Posts being held vacant	-25
Other net variations	5
	18

7. THE SCHOOLS' BUDGET No impact on General Fund

Expenditure on schools is funded by Dedicated Schools Grant (DSG) provided by the Department for Education. DSG is ring-fenced and can only be applied to meet expenditure properly included in the Schools' Budget.

The final DSG settlement was confirmed at £89k lower than anticipated, due to reduced pupil numbers and a deficit of £427k was brought forward from 2010/11. In spite of this an underspend has been carried forward into the 2012/13 Schools Budget which will be used to fund future education services.

Waiver of Financial Regulations

The Council's Contract Procedure Rules state that where the value of a contract exceeds £50k and is to be exempted from the normal requirement to obtain competitive quotations, the Chief Officer has to obtain the agreement of the Director of Legal, Democratic and Customer Services and the Director of Resources and (where over £100,000) of the Portfolio holder, and report use of this exemption to Audit sub-committee bi-annually.

Since the last report to the Executive there have been waivers for three contracts exceeding £50,000 but less than £100,000, and three contracts exceeding £100,000.

The Non-Schools' Budget		Appendix 2
	£'000	£'000
	Outturn	January
	Variance	Variance
Increasing numbers and complexity of LAC requiring residential or fostering support including provision for likely increase to the year end.	1,426	1,245
Leaving Care Grant - potential loss of income	161	160
Care Leavers - additional Southwark judgement cases	100	100
SEN Transport overspending due to contract savings target not yet fully achieved	10	66
Disabled children – 4 additional placements for Looked After Children and provision for likely increase to the year end, offset in part by reductions negotiated by management	398	482
Children's Centres saving in business rates	-124	-125
Savings from delayed appointments to vacant posts and running costs	-2,722	-2,226
Total projected net controllable underspending	-751	-298
The Schools' Budget		
	£'000	£'000
	Outturn	January
	Variance	Variance
Previous years' overspend due mainly to withdrawal by government of Standards Fund in March	427	427
Sub Total: 2010/11 deficit brought forward into 2011/12	427	427
Final DSG was lower than anticipated in the budget	89	89
Forecast overspending on SEN placements	-93	369
Behaviour Support overspending due to pupil volume increase	376	193
Behaviour Support additional income from sales to Academies	-324	-330
Private Nursery payments in excess of budget due to volume pressures	278	200
Flexible Learning to be ended after the Summer Term	-298	-300
School Improvement Services supplies and services savings and additional grant offset by redeployment costs and additional supplements	-117	-118
Jury and maternity cover reimbursement to schools reduced due to academy conversion	-300	-300
Unspent contingencies held for specific school and centrally retained projects to be carried forward into 2012/13	-1,758	0
Other variations (net overspending)	22	97
Final underspending net of 2010/11 deficit	-1,698	327

**IMPACT ON FUTURE YEARS' BUDGETS OF CURRENT VARIANCES IN THE
COUNCIL TAX FUNDED BUDGETS**

Description	2011/12 Latest Approved Budget £'000	Variation To 2011/12 Budget £'000	Impact on 2012/13
Children's Placement Projections	9,535	1426k overspent	Total full year effect projection £650k Less sums already included in financial forecast £600k Net full year effect projection £50k. Management action will continue to reduce costs in 2012/13 and any overspending will be contained within the total departmental budget.
SEN Children's Disability Team Placements	1,559	398K overspent	Total full year effect projection £645K Less sums already included in financial forecast £605k Net full year projection £40K Management action to eliminate projected overspend -£40k

BUDGET VARIATIONS - ALLOCATIONS FOR 2011/12

	Table 1:	Table 2:	Table 3:
	Schools	Non-Schools Children's Social Care	Total for Children and Young People
	Budget	Budget	Department
	£'000	£'000	£'000
2011/12 Original Budget	-	48,078	48,078
General			
Revenue contribution to capital and property adjustments	Cr	310	Cr 310
Transfer of 2.0ftes from CYP (Safeguarding & Social Care) to Resources (Corp Svces)	Cr	19	Cr 19
Government Grants Deferred - removal of 2011/12 budget allocation		18,910	18,910
Total General	0	18,581	18,581
Grants included within Central Contingency Sum			
<u>Agreed by Executive on 25th May 2011</u>			
DFE Music grant (1 year only)			
- Bromley Youth Music Trust expenditure		362	362
- DFE grant income	Cr	362	Cr 362
<u>Agreed by Executive on 20th July 2011</u>			
Lottery Funding - income	Cr 10		Cr 10
Lottery Funding - expenditure	10		10
<u>Agreed by Executive 19th October 2011</u>			
Social Work Improvement Fund and Munro Fund			
- grant related expenditure		190	190
- grant related income	Cr	190	Cr 190
Total Grants	0	0	0
Corporate contribution to CYP for temporary secondment arrangement		48	48
Transfer of resources to fund 0.5fte of crime analyst post 2011/12	Cr	11	Cr 11
Recharge re. Transfer of Resources to fund 0.5fte crime analyst post 2011/12		11	11
<u>Variation on Capital Charges etc</u>			0
Capital Charges		602	602
Deferred Charges (REFCUS)		3,180	3,180
Impairment		1,710	1,710
Insurance		12	12
Rent Income	Cr	5	Cr 5
Repairs & Maintenance	Cr	211	Cr 211
IAS19 (FRS17)		2,168	2,168
Excluded Recharges		50	50
	0	7,506	7,506
Final Budget 2011/12	0	26,135	26,135
	0	74,213	74,213

CYP CARRY FORWARD REQUESTS 2011/12**General**

Bromley Children & Families Project	£ 120,000	Twelve Children's centres closed during 2011/12, resulting in a large underspend in this service at the end of the year. However a carry forward request is being made in order to allow for any residual costs in 2012/13 relating to the vacated premises.
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Grant Carry Forward RequestsGrants with "Restrictions" but no "Conditions"

Step Up to Social Work	51,312	In December 2011 the Executive approved the release of the Step up to Social Care funding into the CYP Budget, to run the Step Up to Social Work Programme in partnership with the London Boroughs of Bexley and Lewisham. The programme is designed to attract high calibre professionals into children's social work. As lead Authority Bromley is responsible for accessing and administering the funding on behalf of the South East London Regional Partnership and will receive £698k over a two year period for 12-14 candidates. Funding of £233k was received for 2011/12 and at the end of March £182k had been spent. A budget carry forward is required to continue the programme during 2012/13.
Troubled Families - Preparation Funding	16,837	Funding of £20k was received from the DCLG in February for the Tackling Troubled Families government initiative. The grant was to enable authorities to make preparations to enable the programme to be delivered and further amounts will be allocated over the next 3 years to implement the full programme. £3k was committed before the end of March to engage a consultant to write the business case. The balance of the grant will be spent in 2012/13 to meet the continuing development and setting up costs including further consultant work and officer time.
Grant income carried forward	-68,149	
NET TOTAL OF CARRY FORWARD REQUESTS	<u>120,000</u>	

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Agenda Item 11

By virtue of paragraph(s) 1 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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