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DATE: 27 December 2012

To: Members of the
EDUCATION BUDGET SUB-COMMITTEE

Councillor Neil Reddin FCCA (Chairman)
Councillor Nicky Dykes (Vice-Chairman)
Councillors Nicholas Bennett J.P., Lydia Buttinger, David McBride and
Pauline Tunnicliffe

A meeting of the Education Budget Sub-Committee will be held at Bromley Civic
Centre on **TUESDAY 8 JANUARY 2013 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 APOLOGIES FOR ABSENCE**
- 2 DECLARATIONS OF INTEREST**
- 3 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 2nd January 2013.
- 4 MINUTES OF THE MEETING HELD ON 25TH SEPTEMBER 2012 AND MATTERS ARISING (Pages 1 - 8)**
- 5 CAPITAL PROGRAMME - 2ND QUARTER MONITORING 2012/13 (Pages 9 - 16)**
- 6 EDUCATION PORTFOLIO BUDGET MONITORING REPORT 2012/13 (Pages 17 - 26)**
- 7 EDUCATION PORTFOLIO BUDGET 2013/14**
To Follow

8 EDUCATION PORTFOLIO HOLDER INFORMATION ITEMS

a EDUCATION PORTFOLIO S106 AGREEMENTS (Pages 27 - 32)

9 ANY OTHER BUSINESS

10 DATE OF NEXT MEETING

13th February 2013

Agenda Item 4

EDUCATION BUDGET SUB-COMMITTEE

Minutes of the meeting held at 7.00 pm on 25 September 2012

Present:

Councillor Neil Reddin FCCA (Chairman)
Councillor Nicky Dykes (Vice-Chairman)
Councillors Nicholas Bennett J.P. and David McBride

Councillor Stephen Wells, Portfolio Holder for Education
Andrew Spears, Co-opted Member to Education PDS Committee
Representing Bromley Youth Council

Also Present:

David Bradshaw, Head of ECS Finance
Dr Tessa Moore, Assistant Director: Education
Amanda Russell, Head of Schools Finance Support

1 APPOINTMENT OF VICE-CHAIRMAN

RESOLVED that Councillor Nicky Dykes be appointed Vice-Chairman for the 2012/13 municipal year.

2 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Lydia Buttinger.

3 DECLARATIONS OF INTEREST

The Chairman noted that 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 MINUTES OF THE MEETING HELD ON 31ST JULY 2012 AND MATTERS ARISING

The Chairman noted that a number of the issues arising from the minutes would be considered during the meeting.

RESOLVED that the minutes of the meeting held on 31st July 2012 be agreed.

**6 EDUCATION PORTFOLIO BUDGET MONITORING REPORT
2012/13**

Report ED12048

The Sub-Committee considered a report setting out the budget monitoring position for the Education Portfolio based on expenditure to the end of July 2012. The Schools' Budget, funded from the Dedicated Schools' Grant and specific grants, was forecast to spend in line with budget. The controllable part of the Non-Schools' Budget, funded from Council Tax, Revenue Support and specific grants, was forecast to be in an underspend position of £575,000.

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 Education Portfolio Holder for approval.**

**7 CAPITAL PROGRAMME - 1ST QUARTER MONITORING 2012/13 &
FINAL OUTTURN 2011/12**

Report RES12149

On 25th July 2012, the Executive received the 1st quarterly capital monitoring report for 2012/13 and agreed a revised Capital Programme for the four year period 2012/13 to 2015/16. The Sub-Committee considered a report highlighting the changes agreed by the Executive in respect of the Capital Programme for the Education Portfolio, and noted that post completion reports on expansion schemes at Bickley and Princes Plain Primary Schools, a partial rebuild at The Highway Primary School, the Hawes Down co-location scheme and a local learning centre at The Priory School would be submitted to the Education PDS Committee during 2012/13

In considering the capital monitoring report, the Vice-Chairman noted that only one scheme was reported as overspent as at 31st March 2012. The Head of ECS Finance confirmed that the former Children and Young People PDS Committee and the Executive had previously been advised of contractual issues and an overspend position in relation to the partial rebuild at The Highway Primary School and that £650k of Basic Need grant had been allocated to support the scheme. The overspend as at 31st March 2012 had been covered by this, with the remaining £509k being included in the scheme budget for 2012/13. In discussion, Members requested that a progress report be provided on this scheme to the next meeting of Audit Sub-Committee. This was agreed by the Chairman of Audit Sub-Committee, Councillor Neil Reddin.

Councillor Nicholas Bennett JP highlighted the need to identify what Section 106/Community Infrastructure Levy funds were currently available for education purposes. The Head of ECS Finance confirmed that £500k was currently

available for investment in Education as capital funds, and that more funds were expected from future developments. Following consideration, Members requested that a report be provided to the next meeting of Education Budget Sub-Committee around Section 106/ Community Infrastructure Levy funds.

RESOLVED that:

- 1) A progress report be provided to the next meeting of Audit Sub-Committee with regard to the rebuild at The Highway Primary School.**
- 2) The revised Capital Programme agreed by the Executive on 25th July 2012 be recommended to the Education Portfolio Holder for approval; and,**
- 3) The following post-completion reports be provided to Education Budget Sub-Committee during 2012/13;**
 - Bickley Primary School – Expansion**
 - Princes Plain Primary School – Expansion**
 - The Highway Primary School – Partial Re-build**
 - Hawes Down – Co-location**
 - The Priory School – Local Learning Centre**

8 SPENDING BY PRIMARY, SECONDARY AND SPECIAL MAINTAINED SCHOOLS IN 2011/12

Report ED12039

The Sub-Committee considered a report setting out all revenue and capital balances held by Primary, Secondary and Special Maintained Schools as at 31st March 2012, and also providing a comparison to the balances held at the same time in the previous year.

In considering spending by Primary, Secondary and Special Maintained Schools in 2011/12, the Chairman highlighted the recent consultation undertaken by the Department for Education to ensure that local authorities were working closely with schools with deficits of 2.5% or more and surplus balances in BO1 and BO2 of 15% of more. The Head of Schools Finance Support confirmed that no further guidance had yet been issued around the role the Department for Education would take to ensure schools were supported in reducing deficits or surplus balances.

It was noted that all schools with high level balances had now provided a response to the Local Authority and plans for management action had been put in place by each school to reduce the balances held. The Local Authority was also working with schools to ensure that expenditure plans were incorporated into the school budget. Details of the management action being taken to reduce balances had now been received from Manor Oak Primary School and would be circulated to Members of the Sub-Committee.

Councillor Nicholas Bennett highlighted that the uncommitted revenue surplus at Chislehurst (St Nicholas) CE Primary School was largely a result of funding held back by the school due to possible relocation to a new site. The Portfolio Holder confirmed that the potential relocation was still under consideration but that no decision had yet been made.

In response to a question from a Member, the Head of Schools Finance Support confirmed that the Local Authority monitored school budgets and if serious issues were identified, a notice of concern could be issued to the school which enabled the Local Authority to put controls in place and become more involved with decision making. Work would be undertaken with the Governing Body to implement a solution, and if this was not achieved in a set period of time, delegated funding could be withdrawn. Maintained schools with deficits were also required to sign up to the Gold level Financial Services Service Level Agreement offered by the Local Authority which provided advice and support on financial matters.

The Chairman queried what would happen to the deficit held by Hillside Primary School when it converted to sponsored academy status in September 2012. The Head of Schools Finance Support confirmed that schools which converted as sponsored academies were able to retain any Revenue surplus but that any deficit returned to the Local Authority. Work had been undertaken with Hillside Primary School to reduce the deficit held prior to conversion and funding had been identified within the Dedicated Schools Grant headroom to absorb any remaining cost to the Local Authority. It was noted that deficits held by other schools moving to sponsored academy status would similarly return to the Local Authority however the two schools currently identified as sponsored transfers both had surplus balances.

RESOLVED that the financial position of Primary, Secondary and Special Maintained Schools at the end of the 2011/12 financial year be noted.

9 SCHOOL FUNDING REFORM: ARRANGEMENTS FOR 2013/14

Report ED12049

The Sub-Committee considered a report setting out details of the Government's proposals for School Funding Reform arrangements for 2013/14.

In considering the Government's proposals for School Funding Reform arrangements for 2013/14, the Chairman queried the delegation of certain budget items which were currently held centrally. The Head of Schools Finance Support confirmed that this would only impact a limited number of budget lines and that the Department for Education was working to simplify funding arrangements for academies and ensure funding for maintained schools and academies were more closely aligned.

The Chairman also queried whether headroom could be maintained on the Dedicated Schools Grant. The Head of Schools Finance Support noted that this could not be confirmed until funding for 2013/14 had been announced, but

highlighted that the Dedicated Schools Grant would be split into three blocks in future which comprised early years, schools and high needs. The Chairman also noted changes that had been made to early years funding within the Dedicated Schools Grant which would reduce Local Authority funding from 90% of early years pupils, regardless of the numbers accessing free entitlement, to 85% or actual take up, whichever was highest. The Head of School Funding Support confirmed that the take up of early years places had increased and that this change would have no impact on the level of funding received.

The Portfolio Holder noted that at the last meeting of the Schools' Forum held on 20th September 2012, Members of the Forum had agreed a range of proposed financial modelling options for the new funding formula for 2013/14 to be released to schools for consultation. A briefing session on the funding formula would be provided for Head Teachers, Governors and Bursars on Thursday 27th September 2012 at the Education Development Centre as part of the consultation.

RESOLVED that:

- 1) The Government's proposals for School Funding Reform arrangements for 2013/14 be noted; and,**
- 2) The Local Authority's progress to date in implementing these changes be noted.**

10 CONSTITUTION OF THE SCHOOLS FORUM

Report ED12047

Members of the Forum considered a report outlining changes to the Schools' Forum constitution proposed by the Local Authority following the introduction of the Schools Forums (England) Regulations 2012, which would come into affect from October 2012.

The Head of ECS Finance outlined the main changes which included the inclusion of a representative of the Pupil Referral Unit to the membership of the Forum, new restrictions to voting arrangements which would allow only school and academy representatives (and private, voluntary and independent sector members) to vote on the funding formulae, and a requirement for Forum meetings to be public and for Forum papers, minutes and decisions to be published on the Local Authority website. The Education Funding Agency would also be given Observer Status on the Forum and would be able to attend future meetings.

RESOLVED that:

- 1) Members' comments on proposed changes to the Schools' Forum constitution be noted; and,**
- 2) The proposed changes to the Schools' Forum constitution be recommended to the Education Portfolio Holder for endorsement.**

11 ANY OTHER BUSINESS

Members considered the range of services within the Education Portfolio.

The Chairman queried why Blenheim and Community Vision Nurseries received funding from the Local Authority (as opposed to being operated by a PVI provider, as was the norm elsewhere in the Borough). The Assistant Director: Education confirmed that these nurseries were funded through Social Care funding to provide full day care places for working parents, statutory free places for 3 and 4 year olds, funded places for 2 year olds and placements for children in need.

Following a query from a Member regarding the Access and Admissions Service, the Head of ECS Finance confirmed that Access and Admissions was a statutory duty of the Local Authority, however the Local Authority was not required to provide this service directly. Some elements of the Education Business Partnership were also statutory and funded by the Revenue Support Grant, other elements of the service had been marketed as 'sold services' and it was noted that the service had achieved full cost recovery and had a positive impact on the number of young people classified as 'not in employment, education or training' in the Borough.

In considering the future delivery of Behaviour Support Services it was noted that the London Borough of Richmond-upon-Thames did not have a Pupil Referral Unit and had developed a model where schools had taken ownership of providing alternate provision which was delivered via a Behaviour Partnership.

In discussing future areas for the Education Budget Sub-Committee to consider, the Chairman requested that a report on School Improvement be provided to a future meeting of the Sub-Committee. It was also requested that a report be provided on Section 106/Community Infrastructure Levy funds. Councillor Nicholas Bennett JP requested that following the move of Adult Education to the Education Portfolio, Further and Higher Education also be moved to Education Portfolio.

RESOLVED that the issues raised be noted.

12 DATE OF NEXT MEETING

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

13 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.

14 EXEMPT MINUTES OF THE MEETING HELD ON 31ST JULY 2012

RESOLVED that the exempt minutes of the meeting held on 31st July 2012 be agreed.

The Meeting ended at 8.32 pm

Chairman

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Agenda Item 5

Report No.
RES12206

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: EDUCATION BUDGET SUB-COMMITTEE

Date: Tuesday 8 January 2013

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

Title: CAPITAL PROGRAMME - 2ND QUARTER MONITORING
2012/13

Contact Officer: Martin Reeves, Principal Accountant
Tel: 020 8313 4291 E-mail: martin.reeves@bromley.gov.uk

Chief Officer: Director of Resources

Ward: (All Wards);

1. Reason for report

On 24th October 2012, the Executive received the 2nd quarterly capital monitoring report for 2012/13 and agreed a revised Capital Programme for the four year period 2012/13 to 2015/16. This report highlights in paragraphs 3.1 to 3.5 changes agreed by the Executive in respect of the Capital Programme for the Education Portfolio and highlights in Appendix B progress on schemes in the 2012/13 programme. The revised programme for this portfolio is set out in Appendix A.

2. **RECOMMENDATION(S)**

The Portfolio Holder is asked to confirm the changes agreed by the Executive in October.

Corporate Policy

1. Policy Status: Existing Policy: Capital Programme monitoring and review is part of the planning and review process for all services.
 2. BBB Priority: Excellent Council
-

Financial

1. Cost of proposal: Not Applicable
 2. Ongoing costs: Not Applicable
 3. Budget head/performance centre: N/A (Capital Programme)
 4. Total current budget for this head: £25.9m for the Education Portfolio over four years 2012/13 to 2015/16
 5. Source of funding: Capital grants, capital receipts and earmarked revenue contributions
-

Staff

1. Number of staff (current and additional): 0.25 fte
 2. If from existing staff resources, number of staff hours: 9 hours per week
-

Legal

1. Legal Requirement: Non-Statutory - Government Guidance
 2. Call-in: Not 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? No
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

Capital Monitoring – variations agreed by the Executive on 24th October 2012

3.1 A revised Capital Programme was approved by the Executive in October, following a detailed monitoring exercise carried out after the 2nd quarter of 2012/13. The base position was the revised programme approved by the Executive on 25th July 2012, as amended by variations approved at subsequent Executive meetings. Changes to the Education Portfolio Programme approved by the Executive in October are shown in the table below and further details are included in paragraphs 3.2 to 3.5. The revised Programme for the Education Portfolio is attached as Appendix A and detailed comments on individual schemes are included at Appendix B.

Capital Expenditure	2012/13	2013/14	2014/15	2015/16	TOTAL
	£000	£000	£000	£000	£000
Approved Capital Programme (25/07/12)	22,135	592	592	590	23,909
<u>Variations agreed by Executive 24/10/12</u>					
Virement of Education budgets (no overall cost)	-	-	-	-	-
Additional government grant – Basic Need	1,590	-	-	-	1,590
- Short Breaks	448	-	-	-	448
Scheme rephasing					
- Langley Park Boys School – BSF scheme	-1,000	1,000	-	-	-
- Seed Challenge Fund	-100	100	-	-	-
- Schools Access Initiative	-100	100	-	-	-
- Security works in schools	-100	100	-	-	-
- Suitability/modernisation issues in schools	-10	10	-	-	-
Revised Education Programme	22,863	1,902	592	590	25,947

3.2 Virement of Education budgets (no overall cost implication)

A review of the Education Capital Programme identified that a number of virements/budget adjustments were required to ensure that funding was in the right place to cover expenditure on individual schemes. Virements were proposed from generic overall budget provisions to scheme specific budgets, as detailed in the table below. This would ensure that funding matched actual expenditure and, as the adjustments were all within the 2012/13 Capital Programme, there would be no bottom line impact on the programme. The Executive approved these adjustments.

Scheme / budget description	2012/13
	£000
From: Farnborough Primary School Phase 1	-76
To: Suitability/modernisation issues (to fund Farnborough Phase 2)	76
From: Capital Maintenance in Schools	-600
To: Seed Challenge Fund	300
To: Security works in schools	150
To: Suitability/modernisation issues	150

3.3 Basic Need – additional government grant (addition of £1,590k in 2012/13)

The Executive was informed that the government had announced additional Basic Need funding of £1,590k in 2012/13 to support the provision of additional pupil places, which brought total Basic Need funding for 2012/13 up to £9,770k. The Executive approved the inclusion of £1,590k in the 2012/13 Capital Programme. The grant is ring-fenced and an initial programme of works was agreed by the former Children & Young People Portfolio Holder in March, with an updated programme being agreed by the Education Portfolio Holder in September.

3.4 Short Breaks Capital – additional government grant (addition of £448k in 2012/13)

In September, the Department for Education announced the Short Breaks for Disabled Children capital grant allocations. Bromley was awarded £224k in 2012/13, which matched the amount awarded in 2011/12, which had not been consolidated into the approved Capital Programme. The Executive approved the inclusion of £448k in 2012/13. The grant is not ring-fenced and is intended to help local authorities and their health partners to create better access to short break provision by providing new equipment, adaptations and facilities for disabled children and young people. The 2011/12 grant was used to fund existing schemes in the Capital Programme and the 2012/13 grant has to be spent by 31st August 2013. Spending plans will be submitted to the Education Portfolio Holder in the near future.

3.5 Scheme Rephasing

In reports to both the June and July meetings, the Executive was informed of the final outturn for capital expenditure in 2011/12 and noted that the overall level of slippage into later years (some £6.9m) was significantly lower than in previous years. Slippage of capital spending estimates has been a recurring theme over the years and Members were pleased to note that, following a review of the system for capital monitoring and for estimating the phasing of expenditure, carried out after the 2010/11 final outturn, a more realistic approach towards anticipating slippage was taken in setting the revised estimates in February. Some £3.9m of the overall slippage from 2011/12 into 2012/13 related to Education Portfolio schemes and this was analysed in the 1st quarter's monitoring report to this Sub-Committee's meeting in September. No further rephasing opportunities had been identified at that stage, but five schemes were rephased in the 2nd quarter (see the table in paragraph 3.1). The latest position on 2012/13 capital schemes is outlined in Appendix B.

Post Completion Reviews

3.6 Under approved Capital Programme procedures, capital schemes should be subject to a post-completion review within one year of completion. Following the major slippage of expenditure at the end of 2010/11, Members confirmed the importance of these as part of the overall capital monitoring framework. These reviews should compare actual expenditure against budget and evaluate the achievement of the scheme's non-financial objectives. Post-completion reports on the following five Education Portfolio schemes are due for submission before 31st March 2013 and this quarterly report will monitor the future position and will highlight any future reports required.

Bickley Primary School – expansion

Princes Plain Primary School - expansion

The Highway Primary School – partial rebuild

Hawes Down Co-Location

Priory School – Local Learning Centre

4. POLICY IMPLICATIONS

4.1 Capital Programme monitoring and review is part of the planning and review process for all services. The capital review process requires Chief Officers to ensure that bids for capital investment provide value for money and match Council plans and priorities.

5. FINANCIAL IMPLICATIONS

5.1 These were reported in full to the Executive on 24th October 2012. Changes agreed by the Executive for the Education Portfolio Capital Programme are set out in the table in paragraph 3.1.

Non-Applicable Sections:	Legal and Personnel Implications
Background Documents: (Access via Contact Officer)	Departmental monitoring returns September 2012. Approved Capital Programme (Executive 24/10/12). Capital Programme Q1 monitoring report (Executive 24/10/12).

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EDUCATION PORTFOLIO - APPROVED CAPITAL PROGRAMME 24th OCTOBER 2012									
Capital Scheme/Project	Total Approved Estimate	Actual to 31.3.12	Estimate 2012/13	Estimate 2013/14	Estimate 2014/15	Estimate 2015/16	Responsible Officer	Remarks	
	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's			
SECONDARY SCHOOLS									
14-19 Diploma SEN 2.3d - Secondary School Investment Strategy									
Newstead Wood	2500	2500					Rob Bollen	DSG £3,580k, Targeted Capital Grant £7,340k, S106 £500k	
Darrick Wood	1700	1700					Rob Bollen		
Hayes	1500	1500					Rob Bollen		
Riverside	500	500					Rob Bollen		
Ravenswood	2500	2500					Rob Bollen		
St Olave's	500	500					Rob Bollen		
Bullers Wood	1700	341	1359				Rob Bollen		
Contingency	520	204	316				Rob Bollen		
	11420	9745	1675	0	0	0			
Langle Park Boys School - BSF (Building Schools for the future) 2.3b	37806	31238	5568	1000			Rob Bollen		BSF One School Pathfinder; government grant £35,800; LBB contribution £2,006k re: enhanced performance space
TOTAL SECONDARY SCHOOLS	49226	40983	7243	1000	0	0			
PRIMARY SCHOOLS									
Primary Capital Programme 2.7									
Bickley Primary - expansion	1469	1462	7				Rob Bollen	DCSF capital grant; £800k allocated to Riverside ASD scheme £1,395k Primary Capital Programme (PCP) grant; £24k from Access initiative; £50k from extended services £1,114k PCP, £250k S106' £71k t/f to Highway £2,620k PCP, £500k Children & Family Centre grant, £300k Early Years, £600k planned maint; £93k schools capital maint in 11/12; £140k revenue cont in 11/12, £71k from Princes Plain; £407k from other PCP schemes. Balance of PCP grant after allocations to Bickley, Princes Plain, Highway and Riverside ASD; £100k from maintenance re Pickhurst Infants; £144k for Crofton Juniors from School kitchens funding; £407k t/f to Highway	
Princes Plain Primary - expansion	1293	1268	25				Rob Bollen		
The Highway Primary - partial rebuild	5381	4872	509				Rob Bollen		
Other schemes funded by Primary Capital Programme grant	3204	3183	21				Rob Bollen		
	11347	10785	562	0	0	0			
TOTAL PRIMARY SCHOOLS	11347	10785	562	0	0	0			
SPECIAL SCHOOLS									
Provision for children with social, emotional & behavioural difficulties	250	0	250				Tessa Moore		Invest-to save: reduction in out of borough placements £800k in a full year; additional costs £290k in a fully year (funded from DSG) Prudential borrowing (costs to be met from schools' budget); DSG contributions; £567k hydrotherapy pool approved by Executive 31/3/10
Reconfiguration of Special Schools	5180	5062	118				Tessa Moore		
	5430	5062	368	0	0	0			
TOTAL SPECIAL SCHOOLS	5430	5062	368	0	0	0			
OTHER EDUCATION SCHEMES									
Formula Devolved Capital 2.1a	5348	3614	440	432	432	430	Mandy Russell	100% government grant; reduced allocation in 2011/12 settlement £300k "suitability" funding in 2011/12; £11k for Farnborough scheme DDA requirement; £150k p.a from schools' revenue budget; £24k to Bickley PCP £150k "suitability" funding in 2011/12 100% DfES grant; £500k for Highway scheme, £750k for Hawes Down Co-location, grant cut by £802k Now funded by 11/12 capital maintenance settlement; £46k from suitability surveys; £350k Farnborough 100% government grant - 2011/12 settlement; £300k to seed challenge; £150k to security works; £150k to suitability/modernisation settlement; £80k to Hawes Down Co-Location & £93k to The Highway in 11/12; £161k t/f from modernisation fund 100% government grant - 2011/12 settlement; £300k to seed challenge; £150k to security works; £150k to suitability/modernisation settlement; £80k to Hawes Down Co-Location & £93k to The Highway in 11/12; £161k t/f from modernisation fund; additional grant £1,182k in 11/12 DCSF capital grant; £142k for Hawes Down; grant cut by £134k; £50k to Bickley PCP; £225k not required Co-location grant £470k, Short breaks capital £220k, Children & Family Centres grant £750k, Early Years capital £70k, Extended Services £142k, school contribution £70k; £80k schools capital maint (roof) in 11/12 100% government grant	
Seed Challenge Fund	1564	1140	324	100			Rob Bollen		
Schools Access Initiative	1390	542	298	250	150	150	Rob Bollen		
Security Works	770	474	196	100			Rob Bollen		
Children and Family Centres	6141	5942	199				Tessa Moore		
Suitability / Modernisation issues in schools - general 2.2	772	180	582	10			Rob Bollen		
Capital maintenance in schools - 2011/12 settlement	7202	3692	3510				Rob Bollen		
Basic Need - 2011/12 settlement	9119	1095	8024				Rob Bollen		
Extended Services 2.10	731	687	44				Tessa Moore		
Hawes Down Co-Location 2.16	1802	1431	371				Tessa Moore		
Short breaks capital	448	0	448						
Feasibility Studies	40	0	10	10	10	10	Rob Bollen		
TOTAL OTHER EDUCATION SCHEMES	35699	18925	14690	902	592	590			
TOTAL EDUCATION PORTFOLIO	101702	75755	22863	1902	592	590			

EDUCATION PORTFOLIO - APPROVED CAPITAL PROGRAMME 2ND QUARTER MONITORING 2012/13					
Capital Scheme/Project	2012/2013				Comments for Q3 monitoring
	Actual to 31/03/12	Estimate before Q2 monitoring	Actual to 17/10/12	Revised Estimate	
	£'000's	£'000's	£'000's	£'000's	
SECONDARY SCHOOLS					
14-19 Diploma SEN 2.3d - Secondary School Investment Strategy					
Newstead Wood	2500	0	0	0	
Darrick Wood	1700	0	0	0	
Hayes	1500	0	0	0	
Riverside	500	0	0	0	
Ravenswood	2500	0	0	0	
St Olave's	500	0	0	0	
Bullers Wood	341	1359	989	1359	Contribution to project capped
Contingency	204	316	0	316	Kept aside to deal with any unforeseen circumstances. Could be used to support other secondary projects
	9745	1675	989	1675	
Langley Park Boys School - BSF (Building Schools for the future) 2.3b	31238	6568	2884	5568	Scheme progressing/work ongoing. First Phase handed over. Contract completion January 2013. Moved budget from the enhanced performance space code to this as all expenditure is captured in this area. £1m rephased into 2013/14
TOTAL SECONDARY SCHOOLS	40983	8243	3873	7243	
PRIMARY SCHOOLS					
Primary Capital Programme 2.7					
Bickley Primary - expansion	1462	7	0	7	Scheme completed. Awaiting end of defects/retentions to pay. Any underspends could be used against Highway and offset the contribution from Basic need on this project
Princes Plain Primary - expansion	1268	25	0	25	Scheme completed. Awaiting end of defects/retentions to pay. Any underspends could be used against Highway and offset the contribution from Basic need on this project
The Highway Primary - partial rebuild	4872	509	0	509	Highway overspending on original budget. Issues on build, etc. Reported to CYPADS. Can use any remaining primary capital funding to offset this and/or maintenance funding to cover off position. Basic Need funding transferred to offset spend pressures
Other schemes funded by Primary Capital Programme grant	3183	21	0	21	Scheme completed. Awaiting end of defects/retentions to pay. Payments need to be made for Crofton Juniors, Alexandra and Pickhurst
	10785	562	0	562	
Farnborough Primary School - 2 class extension	235	76	0	0	Phase one of the scheme has finished. Phase two part of suitability modernisation issues below. Transfer the remaining budget to this to support phase two.
TOTAL PRIMARY SCHOOLS	11020	638	0	562	
SPECIAL SCHOOLS					
Provision for children with social, emotional & behavioural difficulties	0	250	0	250	Work underway. Linked with the Grovelands Site/field study centre.
Reconfiguration of Special Schools	5062	118	0	118	Remaining costs at Riverside and some retentions to pay
TOTAL SPECIAL SCHOOLS	5062	368	0	368	
OTHER EDUCATION SCHEMES					
Formula Devolved Capital 2.1a	3614	440	51	440	In and out to schools.
Seed Challenge Fund	1140	124	36	324	New round for schools. £300k transferred from maintenance to support programmes as per previous years. £100k rephased into 2013/14
Schools Access Initiative	542	398	19	298	In discussion with schools. Funding often on an ad hoc basis as needs arise such as hygiene rooms. Can also be linked to larger schemes and integrated into those. £100k rephased into 2013/14
Security Works	474	146	32	196	Ad hoc security works for Schools. Additional £150k transferred from maintenance to support schemes as per previous year. £100k rephased into 2013/14
Children and Family Centres	5942	199	0	199	Schemes complete. Retentions, etc to pay.
Suitability / Modernisation issues in schools - general 2.2	180	366	217	582	Funding Farnborough phase two. £76k transferred from Farnborough phase one to support the second phase. Additional £150k transferred from maintenance budget as per previous years. £10k rephased into 2013/14
Capital maintenance in schools - 2011/12 settlement	3692	4110	708	3510	Various programmes as per PDS reports
Basic Need - 2011/12 settlement	1095	6434	275	8024	Various programmes as per PDS reports
Extended Services 2.10	687	44	0	44	Investigating whether this is still required
Hawes Down Co-Location 2.16	1431	371	0	371	Awaiting final account
Short breaks capital	0	0	0	448	Carry forward of 2011/12 allocation together with new allocation in 2012/13. Used on various expenditure such as equipment and adaptations
Feasibility Studies	0	10	0	10	Will be used for feasibility studies
OTHER SCHEMES					
Phoenix Pre-School SEN service - Council contribution	92	208	0	208	Ongoing discussion with the PCT. Payment being deferred until agreement and terms are reached.
Youth centres - Capital improvements	36	36	0	36	Funding will be spent by year end to purchase minibus
TOTAL OTHER EDUCATION SCHEMES	18925	12886	1338	14690	
TOTAL EDUCATION PORTFOLIO	75990	22135	5211	22863	

Report No.
ED13002

London Borough of Bromley

PART ONE - PUBLIC

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

Date: **8th January 2013**

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: Terry Parkin, Executive Director of Education and Care Services

Ward: Boroughwide

1. REASON FOR REPORT AND SUMMARY OF BUDGET POSITION

- 1.1 This report reviews budget monitoring based on spending to the end of November 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 be in an underspend position of £1,817,000.

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: £20,665k
 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

The 2012/13 projected outturn for the Education Portfolio is detailed in Appendix 1A, broken down over each division within the service. Appendix 1B gives explanatory notes on the movements in each service.

The Schools' Budget

- 3.1 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 underspend by £1,091,000. Legislation requires that any variance should be carried forward to the next financial year. Details are contained within Appendix 2.

The Non-Schools' Budget

- 3.2 An element of the Education budget within ECS is classed as Non Schools Budget and this is projected to underspend by £1,817,000. Details are contained within Appendix 2.
- 3.3 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 The Resources Portfolio Plan includes the aim of effective monitoring and control of expenditure within budget and includes the target that each service department will spend within its own budget.
- 4.2 Bromley’s Best Value Performance Plan “Making a Difference” refers to the Council’s intention to remain amongst the lowest Council Tax levels in Outer London and the importance of greater focus on priorities.
- 4.3 The four year financial forecast report highlights the financial pressures facing the Council. It remains imperative that strict budgetary control continues to be exercised in 2012/13 to minimise the risk of compounding financial pressures in future years.
- 4.4 Chief Officers and Departmental Heads of Finance are continuing to place emphasis on the need for strict compliance with the Council’s budgetary control and monitoring arrangements.

5. FINANCIAL IMPLICATIONS

- 5.1 The 2012/13 budget for the Education Portfolio is projected to be underspent by £1,817,000 at the year end based on the financial information as at 30th November 2012. This is in the main due to the restructuring of services within the Schools Improvement/Education Development Centre areas and the early implementation of savings within the Youth Support programme.
- 5.2 These savings are outlined in the table below:-

Savings found early for 2013/14

	£000
Bromley Youth Support Programme	470
Access - Pupil Clothing & Footwear	30
Education Commissioning and Business Services	386
School Improvement	177
	<u>1,063</u>

- 5.3 A detailed breakdown of the projected outturn by service is shown in appendix 1a with explanatory notes in appendix 1b. Appendix 2 shows the split between Schools Block and Local Authority Block. Appendix 3 gives the analysis of the latest approved budget.

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

2011/12 Actuals £'000	Division Service Areas	2012/13 Original Budget £'000	2012/13 Latest Approved £'000	2012/13 Projection £'000	Variation £'000	Notes	Variation Last Reported £'000		Full Year Effect £'000
1,904	Education Division Access	1,813	2,561	2,424	-137	1	-123		0
3,440	SEN and Inclusion	3,961	3,914	3,291	-623	2	-344		0
0	Schools Budgets	0	0	0	0	3	0		0
1,845	Education Commissioning and Business Services	941	811	425	-386	4	-368		0
1,055	School Improvement	653	429	252	-177	5	-203		0
8,244		7,368	7,715	6,392	-1,323		-1,038		0
3,118	Children's Social Care Bromley Youth Support Programme - (Youth Services)	2,322	2,322	1,852	-470	6	-475		0
2,395	Referral and Assessment Childrens Centres	2,027	2,237	2,213	-24	6	-24		0
5,513		4,349	4,558	4,065	-494		-499		0
-291	Adult Education Centres Adult Education Centres	-570	-570	-570	0		0		0
-291		-570	-570	-570	0		0		0
-11,001	Early Intervention Grant Early Intervention Grant	-12,010	-12,010	-12,010	0		0		0
-11,001		-12,010	-12,010	-12,010	0		0		0
2,465	TOTAL CONTROLLABLE FOR EDUCATION	-863	-306	-2,123	-1,817		-1,537		0
36,666	TOTAL NON CONTROLLABLE	16,344	16,344	16,344	0		0		0
3,333	TOTAL EXCLUDED RECHARGES	4,599	4,627	4,627	0		0		0
42,463	PORTFOLIO TOTAL	20,080	20,665	18,848	-1,817		-1,537		0
Memorandum Item									
	Sold Services								
	Education Development Centre (RSG Funded)	0	0	99	99	}			
	Education Development Centre (DSG Funded)	1,115	1,115	1,177	62				
	Education Psychology Service (RSG Funded)	0	0	25	25				
	Education Welfare Service (RSG Funded)	0	0	-22	-22				
	Behaviour Support (Secondary) (DSG Funded)	57	0	58	58				
	Behaviour Support (Primary) (DSG Funded)	76	0	-65	-65				
	Free School Meals (RSG Funded)	0	0	0	0				
	Business Partnerships (RSG Funded)	0	0	-112	-112				
	Sub-total Sold Services	1,248	1,115	1,160	45				

1. Access - Cr £137k

An underspend of £137k is forecast for Access. This comprises £46k staffing and £54k running costs as a result of the Early Years restructure, and £43k within the Education Welfare Service is the result of vacant posts and an overachievement of trading account income.

There is also a £30k underspend relating to Pupil Clothing expenditure. This service will cease in 2013/14, creating a saving of £100k as reported in February 2012.

There is an overspend of £51k in Access & Admissions, mainly due to lower levels of staff turnover than budgeted for, and on printing brochures, posters and application forms etc

	Projected Variations £
Early Years	-100,000
Pupil Clothing	-30,000
Access & Admissions	51,000
Catering & Cleaning trading account	-15,000
Education Welfare Service	-43,000
	<u>-137,000</u>

2. SEN and Inclusion - Cr £423k

Transport for children with special education needs is currently forecast to underspend by £423k. This is due to price increases below inflation and optimisation of route planning, a one-off overachievement of recoupment income, and an overspend on vehicle repairs.

In addition, there is a one-off underspend of £200k relating to previous years items. The accounts are closed each year on the basis of the best information available at that point in time and, subsequent to that, additional information has indicated that actual costs are not as high as anticipated when the accounts were closed.

There is also a total overspend of £19k in other areas of SEN and Inclusion.

	Projected Variations £	
Education psychology service		-9,000
SEN admin		29,000
SEN pre-school service		-1,000
SEN transport		
-Transport contract	-357,000	
-Recoupment income	-100,000	
-Creditor provision	-200,000	
-Vehicle repairs	15,000	-642,000
		<u>-623,000</u>

3. Schools Budgets

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. Any overspend or underspend must be carried forward to the following years Schools Budget. A total net underspend of £1,091k is currently projected on DSG funded services as outlined below.

SEN placements are currently expected to create an underspend of £400k. This is mainly due to a reduction in expected growth in the number of pupils receiving statements as a result of Pupil Resource Agreements put in place to support pupils in mainstream schools. There is also £135k underspend on the DSG funded element of SEN transport, and a small underspend in other areas of SEN and Inclusion.

An underspend of £164k is forecast for the Behaviour Service, primarily due to various posts which are currently vacant, and which are expected to remain so in the near future, and several full time posts only being filled by part-time employees. There is also a projected overspend on transport costs.

Nursery Education payments for 3 and 4 year olds is estimated to overspend by £375k due to a higher level of demand than expected. The budget for this part of the early years service is £9.8m.

An underspend of £57k has arisen now that the Carbon Reduction Commitment allowances for 2011/12 have been paid below the value estimated when closing the 2011/12 accounts.

Due to early repayment of an invest to save loan in 2011/12, there will now be an underspend of £570k on the interest payments.

Finally, the restructure of the EDC has resulted in part-year savings of £96k.

	Projected Variations	
	£	£
Behaviour service	-164,000	
Early years - NEG payments	<u>375,000</u>	211,000
SEN Central budget	-400,000	
SEN Transport	-135,000	
Deaf centres & sensory support	9,000	
SEN pre-school service	<u>-53,000</u>	-579,000
EDC Trading A/C - DSG		62,000
Carbon reduction creditor		-57,000
Interest payments		-570,000
School Improvement		-158,000
Underspend to be carried forward to 13/14		<u>-1,091,000</u>

4. Education Commissioning and Business Services - Cr £386k

The commissioning team has an underspend of £343k, primarily due to 8 vacant posts not being filled. This is partially offset by a shortfall of income anticipated for the EDC trading account. There's also an underspend within the Primary Business Partnerships budget due to a staff vacancy, an overachievement of income on the trading account.

	Projected Variations	
	£	£
Commissioning - EDC	-343,000	
EDC Trading A/C - RSG	99,000	
Business Partnership Trading A/C - RSG	-112,000	
Primary Central Business Partnerships	-30,000	
		<u>-386,000</u>

5. School Improvement - Cr £177k

The School Improvement service was also part of the EDC restructure, resulting in part year savings of £177k, mainly from employee costs.

6. Children's Centres & Bromley Youth Support Programme - Cr £494k

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

There is an expected underspend in Youth Support of £470k as a result of early achievement of 2013/14 savings for the service (£580k), and an underspend of £24k in Referral and Assessment, due to 3 currently vacant posts in Parent Partnership.

7. 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 with financial limits. Major reorganisations have been carried out in the Education Development Centre which will have an impact on sold services. 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 show an adverse variation in the EDC and secondary provision behaviour service trading accounts as shown in notes 3 and 4 above. This is due to a revision of the costs that are allocated to sold services.

Please see the Trading Accounts summary in appendix 1a.

Contract Waivers

One contract waiver has been approved since the last budget monitoring report to the Executive relating to the placement of a child with SEN for £80k p.a.

Virements

No virements have been approved since the last report in September.

Management Team comments

There is a forecast underspend of £1,817k in 2012/13. Whilst some pressures on budgets remain such as on trading accounts, other savings have more than offset these. Pressures that have emerged are being offset and have no longer term impact. Work is continuing to mitigate these pressures as far as possible.

Savings have been obtained across the Education Portfolio. These have been achieved by keeping vacancies open, savings in contracts and from the restructure of services. In some instances this has led to an early achievement of 2013/14 savings and the identification of additional 2013/14 savings. For example the restructuring of the EDC has identified additional savings in 2013/14 of £600k. Moreover in the Youth Service an early achievement of a projected 2013/14 saving has meant that the savings will be achieved a year earlier.

TABLE 1: SCHOOLS' BUDGET PART OF EACH SERVICE	2012/13 Original Budget £'000	2012/13 Latest Approved £'000	2012/13 November Projection £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
Access	14,653	14,525	14,736	211		288	0
SEN and Inclusion	21,273	21,273	20,694	-579		-593	0
Education Commissioning and Business Services	1,115	1,115	1,177	62	3	34	0
School Improvement	80	80	-78	-158		-138	0
Schools Budgets	95,118	95,246	94,619	-627		0	0
Dedicated Schools Grant & Pupil Premium	-133,008	-133,008	-131,917	1,091		409	0
Care and Resources - CS Port	723	723	723	0		0	0
Bromley Youth Support Programme - CS Port	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 November Projection £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
Education Division							
Access	1,813	2,561	2,424	-137	1	-123	0
SEN and Inclusion	3,961	3,914	3,291	-623	2	-344	0
Education Commissioning and Business Services	941	811	425	-386	4	-368	0
School Improvement	653	429	252	-177	5	-203	0
Referral & Assessment - Children's Centres	2,027	2,237	2,213	-24	6	-24	0
Bromley Youth Support Programme	2,322	2,322	1,852	-470	6	-475	0
	11,717	12,274	10,457	-1,817		-1,537	0
Early Intervention Grant	-12,010	-12,010	-12,010	0		0	0
ADULT EDUCATION	-570	-570	-570	0		0	0
Total Education Controllable	-863	-306	-2,123	-1,817		-1,537	0
TOTAL NON CONTROLLABLE & EXCLUDED	20,943	20,971	20,971	0		0	0
TOTAL NON-SCHOOLS BUDGET	20,080	20,665	18,848	-1,817		-1,537	0
TABLE 3: TOTAL FOR EACH SERVICE	2012/13 Original Budget	2012/13 Latest Approved	2012/13 November Projection	Variation £'000		Last Reported £'000	Full Year Effect £'000
Education Division							
Access	16,466	17,086	17,160	74		165	0
SEN and Inclusion	25,234	25,187	23,985	-1,202		-937	0
Education Commissioning and Business Services	2,056	1,926	1,602	-324		-334	0
School Improvement	733	509	174	-335		-341	0
Schools Budgets	95,118	95,246	94,619	-627		0	0
Dedicated Schools Grant & Pupil Premium	-133,008	-133,008	-131,917	1,091		409	0
Early Intervention Grant	-12,010	-12,010	-12,010	0		0	0
Referral & Assessment	2,027	2,237	2,213	-24		-24	0
Bromley Youth Support Programme	2,322	2,322	1,852	-470		-475	0
TOTAL CONTROLLABLE FOR EDUCATION	-1,062	-505	-2,322	-1,817		-1,537	0
ADULT EDUCATION	-570	-570	-570	0			
TOTAL CONTROLLABLE FOR PORTFOLIO	-1,632	-1,075	-2,892	-1,817		-1,537	0
TOTAL NON CONTROLLABLE & EXCLUDED	20,943	20,971	20,971	0		0	0
DSG Funded - Care Services Portfolio	769	769	769	0		0	0
PORTFOLIO TOTAL	20,080	20,665	18,848	-1,817		-1,537	0

BUDGET VARIATIONS - ALLOCATIONS FOR 2012/13
Education Portfolio - September

2012/13 Original Budget

Education Division
 Children's Social Care
 Adult Education
 Early Intervention Grant

Table 1:	Table 2:	Table 3:
Schools	Non-Schools	Total for
Budget	Budget	Education
£'000	£'000	£'000
-	26,874	26,874
	5,209	5,209
	7	7
-	12,010	- 12,010
-	20,080	20,080

General

Carry forward from 2011/12
 Transfer costs for staffing (from Resources)
 Restructure of Care Services Commissioning
 Draw down of Early Years funding
 Transfer of Education Client (Catering & Cleaning) to ECS

120
 76
 -25
 400
 14

120
 76
 -25
 400
 14

Latest Approved Budget

0	20,665	20,665
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London Borough of Bromley

PART 1 - PUBLIC

Briefing for Education Policy Development and Scrutiny Committee 8 January 2013

Education Portfolio S106 Agreements

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

Chief Officer: Terry Parkin, Executive Director, Education and Care Services

1. Summary

1.1 This briefing note outlines the S106 agreements held that have Education contributions set aside.

2. **THE BRIEFING**

2.1 At the Education Budget sub committee on the 25th September 2012, the Committee asked for details of S106 agreements in the Education Portfolio. Section 106 agreements are made with the applicant for the benefit of the future occupants of new developments and also for the benefit of existing residents in the vicinity of a new development.

2.2 Attached in Appendix one is a listing of all the agreements. The first table shows the agreements where the Council has received the S106 monies and the appropriate expenditure has not as yet been made. There is a total of £566k remaining that will need to be spent

2.3 The second table lists S106 agreements that have been made or in the progress. The funding has not been released for various reasons such as:-

a) the scheme has not reached a particular trigger point (other stages of funding may have already been released).

b) final agreement has not yet been reached so the figures are provisional.

2.4 The total amount of these agreements amount to £1,689k

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S106 AGREEMENTS EDUCATION - OUTSTANDING BALANCES

APOPENDIX ONE

Dept. Anal.	Public register ref	Address of application	Nature of application	Date	Legal Agreement	Use of monies	Balance as at 23.8.12	Time Limit for spend
Education								
F0663	218	The Partridge, Chipperfield Road	Demolition of public house and erection of 2 four storey blocks comprising 10 one bedroom/14 two bedroom 4 three bedroom flats with 19 car parking spaces and covered bicycle store	29th October 2007	Education contribution of £29140 to pay the Council on or before the payment date, to be used towards education. To be spent within 5 years of receipt. Health contribution of £13244 (473 x 28 units) to pay the Council on or before the payment date, to be used towards health and medical services to the local community. The council will repay any unspent funds within 5 years. To pay on completion of the agreement the legal fees	£29,140 towards Education	(17,800.00)	Mar 2014
F0648	197	Orpington Halls High St Orpington	Five storey block comprising restaurant (Class A3) on ground floor/ replacement community hall (Class D1) on first floor/ 19 flats on upper floors OUTLINE	13th March 2008	100% affordable housing - health care contribution £697 per unit (£13243) .education contribution £24,409 .town centre contribution for CCTV £5,000 . car club contribution to a car club operator £10,000 . £2,500 to the council towards traffic order & associated works for car club - free membership for car club for one year for each resident - permit free undertaking. Council to repay funds not spent or contractually committed within 5 years of receipt.	£24,409 for Education	(24,409.00)	Aug 2014
F0670	230	Enterprise Hse, 45 Homesdale Road	Block between two and six storeys high with semi-basement parking area comprising 82 flats (21 one bedroom/ 55 two bedroom/ 6 three bedroom) with 82 car parking spaces/ cycle parking/ refuse storage	3rd July 2009	Healthcare contribution of £84,296 total and Education Contribution of £111,806 to pay to the Council on or before the commencement date of the development. Shall repay any unspent funds within 5 years from the payment date. 32 affordable units	£111,806 for Education	(111,806.00)	Feb 2015
F0628	233	Garrard House, 2-6 Homesdale Road Bromley	Retention of part of the structure of Nos. 2-6 (Garrard House) at semi-basement/ ground floor level/ demolish No. 8 (Sussex House) and erection of part one to five storey building (with semi-basement level parking for 91 cars/ cycle parking/ refuse storage) comprising 26 one bedroom/ 75 two bedroom/ 4 three bedroom flats and single storey detached buildings for biomass boiler	11th September 2009	Affordable housing contribution of £411,000 (difference between £1,586,000 and £1,175,000 agreed under ref. 04/00235) 25% contribution required on or before first occupation; remainder on or before last occupation. Health and Education contribution £70,000 due on or before commencement date, loading restriction contribution £2,000 due on or before commencement date No time limit on spend. (note £1,175,000 already paid under 04/00235) (see also 166)	£35k for Education	(35,000.00)	Sept 2015
F0667	227	Land Rear Of Nugent Shopping Park, Cray View Close, St Mary Cray, Orpington	3 four storey blocks comprising 33 two bedroom and 4 three bedroom flats with access road and 45 car parking space (37 Unit scheme)	11th May 2009	The owner shall make available (prior to first occupation) the surplus parking spaces (12) with a restriction to use by the occupiers of the development only and shall remain its sole use. Healthcare contribution of £7,695 and Education contribution of £11,684 split as per instructions. Due on commencement of development. No more than 29 residential units shall be occupied prior to the owner having paid the contributions.	£11,684 for Education	(11,684.00)	May 2014
F0668	228	Land at former 1-23 Orchard Grove Orpington	18 two/ three storey 3 bedroom houses and 2 two storey 2 bedroom houses with car parking (amendment to scheme allowed on appeal under ref. 06/04545)	15th June 2009	Education contribution of £174,230 and healthcare contribution of £98,240. Contributions payable upon first occupation of any market housing unit. No time limit on spend. The land is still bound by the restrictions and obligations contained within the principal agreement. DEED OF VARIATION (Read with original agreement number 181)	£174,230 for education contribution	(174,230.00)	June 2014
F0655	178	Ravensbourne College (Phase 1 instalment)	DC/06/00749/OUT Demolition of existing college building and students residential accommodation. Erection of Residential Development comprising 251 dwellings with amended vehicular access landscaping and open space Outline	7 Aug 2006 (allowed on appeal 21 st Dec 2006, further application rec'd & approved subject to conditions being met 11th Dec 07.)	Affordable Housing £1411,000 in accordance with clause 4.8. Education 5 instalments, at £110,000 each, the first instalment before commencement see clause 5.2, Highways to be paid before commencement, Public Transport Contribution before Occupation of the Open Market Housing Units, Primary Healthcare in accordance with clause 8.2 in three instalments, first instalment of £55,000 before occupation of any Open Market Housing, use of local labour. Public transport contribution of £225,000 due before the occupation of the open Market Housing Units (subject to receiving the Public Transport Notice from the Council), to be spent within 5 years of payment. Use of local labour. Transfer of woodland before occupation of 80% of the units. Woodland commuted sum of £30,000. Woodland management plan within 6 months of commencement. Travel plan. Affordable housing (74 units) No time limitation on spend and no interest to be accrued. (Unilateral undertaking)	Education contribution	(110,000.00)	Jan 2017
F0652	214	Anerley School for Boys, Versialles Rd Penge	Four storey block with accommodation in roof (Block A) four storey block with basement car park for 25 cars (and bicycle parking) (Block B) and three storey block with accommodation in roof (Block C) comprising 129 flats (48 studio/58 one bedroom/4 two bedroom/11 three bedroom and 8 four bedroom flats) and 70 surface car parking spaces. Widening of the 2 existing vehicular accesses and formation of pedestrian access. OUTLINE DUPLICATE APPLICATION	8th Mar 2007	Education contribution: within 3 months of the Commencement date to be used to towards the provision of secondary education schools. The Council will repay any unspent sums not spent or committed with 4 years from the Commencement date. Health care contribution: the developer will pay the Healthcare contribution to the council within 3 months from the Commencement date. To use the healthcare contribution for this reason only. The council will repay any sums not spend or contractually committed within 4 years from the commencement date. Meadow land: to maintain the Meadow land as open meadow and make available to the residents for use amenity purposes. (GRANTED ON APPEAL)	Education contribution	(80,724.00)	TBC
Total Education							(565,653.00)	

Dept. Anal.	Public register ref	Address of application	Nature of application	Date	Legal Agreement	Use of monies	Balance as at 23.8.12	Time Limit for spend
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S106 AGREEMENTS EDUCATION - BALANCES NOT YET RECEIVED/DUE

Dept. Anal.	Public register ref	Address of application	Nature of application	Date	Legal Agreement	Use of monies	Balance
	284	Multi-storey car park Simpsons Road Shortlands Bromley	Demolition of existing buildings and redevelopment with mixed use scheme comprising multi-screen cinema, 200 flats, 130 bedroom hotel, Class A3 units (restaurant and café) including 1 unit for flexible class A1 (retail shop) ClassA3 (restaurant and cafe) or ClassA4 (drinking establishment use), basement car parking, associated access arrangements (including bus parking), public realm works and ancillary development.	27th March 2012	23 affordable housing units. To pay the car club contribution of £2,500 prior to the commencement of development, payment to be sent to Highway Authority by LPA. Education contribution of £504,045.51 (see agreement for spending restrictions) to be paid prior to the occupation of any residential units. Health contribution of £197k to be used on health care services in the vicinity. Payable prior to occupation of any residential unit. Town centre contribution of £20k to be used towards pedestrian way finding with area covered by BTCAAP. Development shall not commence until the TCC has been paid. To provide one oyster card (with £15 credit) per residential unit within 28 days of first occupation. Public toilets to be available for use by bus operators 24 hours a day. Affordable housing contribution up to a maximum of £700k in accordance with Development Agreement dated 27.4.12. The developer can request refund of any unspent payment 5 years from the date of payment. Wheelchair housing contribution of £15k per unit where the design of the units cannot fully comply with SELHP stds.	Education contribution	504,045.51
	274	Denton Court 60 Birch Row Bromley BR2 8DX	Demolition of existing sheltered housing accommodation and erection of 4 semi-detached and 23 terraced two storey houses (4 including accommodation in roof) (13 two bedroom, 12 three bedroom and 2 four bedroom), with 40 car parking spaces	16th November 2011	10 affordable units, 2 of these units will be designed for wheelchair users. The owner covenants to pay the health contribution of £40,797 and education contribution of £205,230.62 to the Council within 14 days of the completion of the first sale of any market dwelling. No time limit on spend.	Education contribution	205,230.62
	266	Sundridge Park Management Centre Ltd Plaistow Lane Bromley BR1 3TP	Four/ five storey building comprising 20 two bedroom, 41 three bedroom and 6 four bedroom dwellings and including basement car parking, garage block for 5 cars and single storey building comprising health spa for residents' use with tennis court on roof	30th June 2011	Affordable housing contribution £2,021,000 The owner covenants to pay one third of the affordable housing contribution within 14 days of the implementation date. To pay one third of the affordable housing contribution either 18 months after the implementation date or when 50% of the units are occupied – whichever is the earliest. To pay one third of the affordable housing contribution either 24 months after the implementation date or when all of the units are occupied – whichever is the earliest. Education contribution £75,000. The owner covenants to pay half of the education contribution either 18 months after the implementation date or when 50% of the units are occupied – whichever is the earliest. To pay half of the education contribution either 24 months after the implementation date or when all the units are occupied. The Council covenants to repay any unspent funds and interest 5 years after the date of the final payment. Within 14 days of the implementation date to realign part of the picket fence and remove the conference centre sign board.	Affordable housing contribution: £2,021,000 and Education contribution £75,000	75,000.00
F0666	223	Anerley School For Boys Versailles Road London SE20 8AX	Four storey block with basement car park for 33 cars and bicycle parking (Block D) and four storey block (Block E) comprising 92 flats (32 studio/ 28 one bedroom/ 13 two bedroom/ 19 three bedroom) and 23 surface car parking spaces and formation of vehicular and pedestrian access OUTLINE	24th Feb 2009	Education contribution of £91,176 and Healthcare contribution £861 per dwelling x 92 = £79,212. The Council must request payment within 2 years following the commencement date. The Council must repay any unspent money after 4 years of payment date. 32 affordable units (19x3 bed and 13x2 bed apartments) No more than 50% of remaining units shall be occupied before the developer has entered a binding contract with an RSL for transfer of land for affordable housing. (UNILATERAL UNDERTAKING)	Education contribution: £91,176 Healthcare contribution: £79,212.	91,176.00
F0665	222	6 Starts Hill Avenue Farnborough Orpington Kent BR6 7AU	3 two bedroom two storey and 8 three bedroom two/three storey terraced houses/ 2 two bedroom two storey and 2 four bedroom two storey semi-detached houses/ 1 four bedroom two storey detached house with 18 car parking spaces (3 houses with access to frontage between Nos 26 and 61 Starts Hill Avenue)	12 th Mar 2008	Health contribution of £8,280 and Education Contribution of £18,561 to be paid on or before first occupation. 5 affordable units (Block A: 2x2 bed houses; Block E: 1x4 bed house; Block F: 1x3 bed and 1x4 bed houses) No time limit on spend (UNILATERAL UNDERTAKING)	Health contribution: £8,280 Education contribution: £18,561	18,561.00

Dept. Anal.	Public register ref	Address of application	Nature of application	Date	Legal Agreement	Use of monies	Balance as at 23.8.12	Time Limit for spend
F0661	195 (see 161)	Sundridge Park Management centre Plaistow Lane	Demolition and redevelopment of existing Butten Building to provide three/four storey buildings comprising 11 two bedroom/28 three bedroom/6 four bedroom flats and 3 three bedroom/2 four bedroom/4 five bedroom houses with health club for residents use including basement/surface car parking and landscaping.	7th Dec 2007	Payment in lieu of affordable housing £1,821,000. One third to be paid within 14 days of implementation date. One third to be paid 18 months after implementation date or when 50% units are occupied, whichever is the earlier. One third to be paid 24 months after implementation date or when all units are occupied, whichever is sooner. To be spent within 5 years after the date on which sums are received. Education contribution of £75,000 for primary places. Half to be paid 18 months after implementation date or when 50% units are occupied which ever is sooner. Half to be paid 24 months after implementation date or when all units are occupied which ever is sooner. NOTE: see ref 161 for original scheme for conversion and new build	Affordable Housing contribution of £1,821,000. Education contribution of £75,000	75,000.00	
F0657	186*	Blue Circle Sports Ground, Bromley	Mixed use development comprising erection of new medical centre/ nursing home/ affordable housing and open market housing at a density of between 50-80 dwellings per hectare/ children's playground/ consolidation of allotments/ bus interchange/ associated public open space/ access roads and car parking (OUTLINE)	1st Aug 2007	Remediation works of allotments- landscaping, wildlife and ecological improvements. £100 contribution for loss of crops. (assume 30 allotments)35% affordable housing. Implementation of a travel plan. Bus interchange. Doctors surgery. Nursing home. Linear park. Oakley Road junction £25,000. Bus stops contribution £20,000 per stop for up to 5 bus stops. Bus priority feasibility study- £10,000. Waiting restrictions contribution- up to £5000. Healthcare contribution- to be confirmed. New clubhouse for allotment- £50,000. Phase 1 joint use education payment of £1.2m: 33% payable before the sale of any market units (in Phase 1?), a further 33% a year later and the balance a year after that. Phase 2 joint use education payment of £280,000 – payable as for Phase 1 payment above. No time limit on spend.	£100 contribution for loss of crops. Oakley Road junction £25,000. Bus stops contribution £20,000. Bus priority feasibility study- £10,000. Waiting restrictions contribution- up to £5000. Healthcare contribution- to be confirmed. New clubhouse for allotment- £50,000. Education contribution £280,000	280,000.00	
F0655	178	Ravensbourne College Of Design & Communication Walden Road Chislehurst Kent BR7 5SN	DC/06/00749/OUT Demolition of existing college building and students residential accommodation. Erection of Residential Development comprising 251 dwellings with amended vehicular access landscaping and open space Outline	7 Aug 2006 (allowed on appeal 21 st Dec 2006, further application rec'd & approved subject to conditions being met 11th Dec 07.)	Affordable Housing £1411,000 in accordance with clause 4.8. Education 5 instalments, at £110,000 each, the first instalment before commencement see clause 5.2, Highways to be paid before commencement, Public Transport Contribution before Occupation of the Open Market Housing Units, Primary Healthcare in accordance with clause 8.2 in three instalments, first instalment of £55,000 before occupation of any Open Market Housing, use of local labour. Public transport contribution of £225,000 due before the occupation of the open Market Housing Units (subject to receiving the Public Transport Notice from the Council), to be spent within 5 years of payment. Use of local labour. Transfer of woodland before occupation of 80% of the units. Woodland commuted sum of £30,000. Woodland management plan within 6 months of commencement. Travel plan. Affordable housing (74 units) No time limitation on spend and no interest to be accrued. (Unilateral undertaking)	Affordable Housing contribution of £1,411,000 (in 5 instalments of £282,200, first instalment due before commencement). Secondary education contribution of £550,000 (subject to receiving the Education Notice from the Council) in 5 instalments of £110,000 first instalment due before commencement, to be spent within 5 years of payment. Highways contribution £20,000 due before commencement (subject to receiving the highways notice from the Council) and to be spent within 5 years of payment. Footpath contribution of £10,000 due before commencement, to be spent within 5 years of payment. Healthcare contribution of £163,000 in three instalments, first instalment due before occupation of the first open market housing, 2nd instalment due 1 year after first occupation of the first open market unit, 3rd instalment due 2 years after the first occupation of the first open market unit, to be spent within 5 years of payment. Public transport contribution of £225,000 for the provision of an additional bus to serve local bus route number 314, to be spent within 5 years. Woodland contribution of £30,000 for ongoing maintenance of the woodland.	440,000.00	
Total Education							1,689,013.13	

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