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DATE: 16 July 2013

To: Members of the  
**EDUCATION BUDGET SUB-COMMITTEE**

Councillors Kathy Bance MBE, Julian Benington, Nicholas Bennett J.P.,  
Julian Grainger, David McBride and Neil Reddin FCCA

A meeting of the Education Budget Sub-Committee will be held at Bromley Civic  
Centre on **TUESDAY 23 JULY 2013 AT 7.00 PM**

MARK BOWEN  
Director of Corporate Services

*Copies of the documents referred to below can be obtained from*  
[www.bromley.gov.uk/meetings](http://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 17<sup>th</sup> July 2013.
- 5 MINUTES OF THE MEETING HELD ON 2ND MAY AND MATTERS ARISING (Pages 3 - 8)**
- 6 EDUCATION PORTFOLIO OUTTURN REPORT 2012/13 (Pages 9 - 22)**
- 7 EDUCATION PORTFOLIO BUDGET MONITORING REPORT 2013/14 (Pages 23 - 32)**
- 8 EDUCATION PORTFOLIO INFORMATION ITEMS**
  - a JUNE 2013 SPENDING REVIEW (Pages 33 - 36)**

**9 ANY OTHER BUSINESS**

**10 DATE OF NEXT MEETING**

7.00pm, 2<sup>nd</sup> October 2013

7.00pm, 7<sup>th</sup> January 2014

7.00pm, 8<sup>th</sup> April 2014

## **EDUCATION BUDGET SUB-COMMITTEE**

Minutes of the meeting held at 7.00 pm on 2 May 2013

### **Present:**

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

Councillor Stephen Wells, Portfolio Holder for Education

### **Also Present:**

Dr Tessa Moore, Assistant Director: Education  
Robert Bollen, Education Strategic Capital Manager  
David Bradshaw, Head of Education and Care Services Finance  
James Mullender, Senior Accountant

#### **1 APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Lydia Buttinger and Councillor David McBride.

#### **2 DECLARATIONS OF INTEREST**

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

#### **3 QUESTIONS FROM MEMBERS OF THE PUBLIC ATTENDING THE MEETING**

No questions had been received from members of the public.

#### **4 MINUTES OF THE MEETING HELD ON 13 FEBRUARY 2013 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 13<sup>th</sup> February 2013 be agreed.

#### **5 POST COMPLETION REPORTS**

##### **Report ED13055**

The Sub-Committee considered a report setting out post completion reports on works carried out for the expansion of Bickley and Princes Plain Primary Schools, the rebuilding of The Highway Primary School and the creation of the Hawes

Down Centre. The Capital Programme Procedures required that a post completion review be carried out within 12 months of the completion of schemes that were included within the programme to assess whether the original scheme objectives were achieved, and whether the scheme was completed on time and within the original budget.

In reviewing the post completion reports, Members were concerned that all four projects had seen overspends on the tender estimate. One project had overspent by a significant amount and the Local Authority was currently pursuing a claim against its consultant to recoup some of these losses. The reasons for overspends varied across the projects and included spend on required furniture and equipment, the cost of accommodation moves, and additional tarmacing and roof works.

Members were advised that there was a set allowance for furniture and equipment for each school project and that this was only exceeded where there was an educational imperative to do so and where funds were available. The Head of Education and Care Services Finance noted that schools were required to fund any required items outside of the scope of their project. In response to a question from Councillor Nicholas Bennett JP, the Assistant Director: Education confirmed that where appropriate furniture and equipment were reused across the Local Authority's property portfolio to ensure efficient use of resources and reduce waste.

The Portfolio Holder for Education noted that costs had been incurred through out of hours electrical works in one project and queried whether this should be funded by the school. The Education Strategic Capital Manager confirmed that there had been some out of hours work undertaken in one project due to impact on school operation, but this cost had also been incurred to ensure the scheme was delivered on time.

Councillor Nicholas Bennett JP highlighted the importance of ensuring that the procurement process was robust in identifying all possible costs when developing the specification for any project. It would be useful for Members to have an overview of the Council's approach to project management, with a view to encouraging a holistic approach with a single oversight for all aspects of project delivery (including procurement) to minimise unforeseen project costs. Following discussion, Members requested that an overview of the Council's approach to project management be reported to a future meeting of the Executive and Resources PDS Committee.

**RESOLVED that:**

- 1) An overview of the Council's approach to project management be reported to a future meeting of the Executive and Resources PDS Committee; and,**
- 2) The findings of the below post completion reviews be recommended to the Education Portfolio Holder for approval:**

- **Expansion of Bickley Primary School by 210 pupils;**
- **Expansion of Princes Plain Primary School by 105 pupils;**
- **Rebuilding of The Highway Primary School; and,**
- **Creation of the Hawes Down Centre in West Wickham to provide a specialist facility to deliver services for children and young people with additional needs and disabilities and their families.**

## **6 ASSET MANAGEMENT PLANNING: SCHOOLS PLANNED MAINTENANCE**

### **Report ED13056**

The Sub-Committee considered a report setting out the proposed 2013/14 Education Planned Maintenance Programme and Suitability Programme.

The Local Authority had a five-year maintenance programme on education properties that was reviewed annually based on the funding available, condition of facilities and urgent items that had arisen during the year. The Local Authority also provided assistance to improve the security and suitability of schools as well as operating the Seed Challenge programme that part-funded priority works at Local Authority maintained schools in the Borough. The Education Planned Maintenance Programme and Suitability Programme and Seed Challenge Programme were funded by 100% Department for Education Capital Maintenance Grant.

### **RESOLVED that:**

- 1) The proposed 2013/14 School Planned Maintenance and Suitability Programme be noted;**
- 2) The list of schemes to be included in the 2013/14 School Planned Maintenance and Suitability Programme be noted; and,**
- 3) Officers be asked to develop a Seed Challenge Programme for 2014/15 for future consideration by the Portfolio Holder for Education.**

## **7 UPDATE ON THE BASELINE REVIEW OF SCHOOL IMPROVEMENT**

### **Report ED13054**

The Sub-Committee considered an information briefing providing an update on the baseline review of school improvement services. The services included in the review comprised School Standards and Achievement, Pupil Support, the Education Business Partnership and Children in Care. A formal consultation process had been undertaken in Autumn 2012 in response to proposals to rationalise and restructure these services where appropriate, with the new structure coming into effect on 1<sup>st</sup> April 2013.

In considering the baseline review of the Education Business Partnership, the

Assistant Director: Education confirmed that the service had been due to be reduced by 1.6 Full Time Equivalent (FTE) posts, but as there was a healthy income generated, the income target for the service had been raised instead, making a saving to the Revenue Support Grant of £91,150. There were now fewer statutory duties related to this service; however a lot of work was undertaken with young people who were not in education, employment or training (NEET) and young offenders which benefitted other Local Authority services. The Education Business Partnership also worked to support alternate provision for pupils in Year 10 and 11 who could not be placed in Bromley schools through signposting pupils to an appropriate package of support for their needs, which could include a work experience placement.

The Assistant Director: Education confirmed that Nina Newell, Early Years Manager had been appointed the Interim Head of Standards and Achievement and would be overseeing commissioning and quality assurance to fulfil the Local Authority's statutory duties of intervention and support in schools causing concern. Funding for the remaining vacant post in the service would be used to commissioning 15 day packages of work with schools that required support. The Assistant Director: Education confirmed that the Pupil Place Planning and Admissions role had been filled on an interim basis for two days per week. Councillor Nicholas Bennett JP highlighted the need to ensure that the target for increased online school admissions and free school meal applications continued to be prioritised.

The Pupil Support Team had been reduced from 17.7FTE posts to 7FTE posts to prioritise delivery of the Council's statutory duties, including supporting a Local Authority action plan for improvements in any school causing concern and delivering training and guidance required by the Department for Education for national assessments and tests. A small amount of essential school support continued in the form of early intervention in schools at risk of failing an inspection but the sold service element for school improvement was not full cost recovery and had been ceased.

The Assistant Director: Education advised Members that the Children in Care Team worked to fulfil the Council's statutory duties for supporting Looked After Children and for monitoring academic achievement of children in care. This service was considered essential and the service budget had been cut by the equivalent of 1FTE post.

In response to a question from the Portfolio Holder for Education around the level of attainment of Looked After Children in Bromley, the Assistant Director: Education confirmed that the progress of every Looked After Child in the Borough was tracked and that each Looked After Child had unique support and education needs. Councillor Nicholas Bennett JP suggested that the attainment of Looked After Children might be an area for the Education PDS Committee to consider in more depth in 2013/14. The Portfolio Holder for Education noted that the Children's Champion had been looking closely at this issue.

**RESOLVED that the information briefing be noted.**

**8 ANY OTHER BUSINESS**

Members considered the Education Division Budget Book 2013/14, which would be provided to all Members of the Education PDS Committee following Annual Council.

**RESOLVED** that the issues raised be noted.

**9 DATE OF NEXT MEETING**

The next meeting of Education Budget Sub-Committee would be held at 7.00pm on Tuesday 23<sup>rd</sup> July 2013.

The Meeting ended at 7.48 pm

Chairman

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# Agenda Item 6

Report No.  
ED13074

London Borough of Bromley

PART ONE - PUBLIC

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**Decision Maker:** EDUCATION BUDGET SUB COMMITTEE

**Date:** 23<sup>rd</sup> July 2013

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

**Title:** FINAL OUTTURN REPORT 2012/13

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

**Chief Officer:** Executive Director of Education, Care and Health Services

**Ward:** (All Wards);

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1. Reason for report

1.1 This report provides the final position for 2012/13.

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2. **RECOMMENDATION(S)**

2.1 The Education Budget Sub Committee are requested to:

- (i) **Note that there was an underspend of £3,091,000 on controllable expenditure at the end of 2012/13 and consider any issues arising from it.**
- (ii) **Note that the Executive have agreed to a carry forward totalling £297,000 as detailed in Appendix 2.**
- (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: Education Portfolio
  4. Total current budget for this head: £16.208m
  5. Source of funding: Education Services Approved Budget
- 

### 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): The 2012/13 budget reflects the financial impact of the Council's strategies, service plans etc. which impact on all of the Council's customers (including council tax payers) and users of the services
- 

### 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 Education Budget Sub Committee, which is broken down in detail in Appendix 1a, along with explanatory notes in Appendix 1b.
- 3.2 The final outturn for the “controllable” element of the Education Portfolio budget in 2012/13 is an underspend of £3,091,000 compared to the last reported figure of £2,114,000 which was based on activity at the end of January 2013. After allowing for the £297,000 carry forward request if agreed by Executive, the final outturn position will be £2,794,000.
- 3.3 A considerable amount of the underspend relates to savings assumed for 2013/14 but delivered early. Details are shown in table one below.

#### **Table One**

##### **Breakdown of savings made early in 2012/13**

**2012/13**  
**£000**

##### **Savings made early**

Bromley Youth Support Programme	-395
Cessation of pupil clothing grant	-51
Reorganisation of the Education Commissioning and Business Services team	-347
Reorganisation of the School Improvement team	-149
	<b><u>-942</u></b>

##### **Other in year pressures/savings**

Early years - underspends on staffing and SLA's	-210
Early years - underspends on Nursery grants for 2 year olds	-108
Education Welfare - underspends in staffing and over achievement of trading account	-60
Other turnover pressures and trading income surpluses in the Access division	14
Transport - underspend on the contract and additional recoupment income	-767
SEN - Additional SEN tribunals	41
Education Psychology under achievement of trading account partly offset by minor underspend	31
Underspend on PSAG expenditure	-32
Underspend on staffing and running expenses in the children centres	-297
Salary underspend in the parent partnership service	-24
Delays in restructuring of the Adult Education centre	59
Non recurrent underspends relating to previous years	-236
Increase in recharges funding by the DSG	-560
	<b><u>-2,149</u></b>

##### **Total outturn variance**

**-3,091**

- 3.4 On the 12<sup>th</sup> June 2013 the Executive was asked to approve a number of carry forward requests relating to either unspent grant income, or delays in expenditure where cost pressures will follow through into 2013/14. Appendix 2 provides a detailed breakdown of the carry forward request for this Portfolio.
- 3.5 Appendix 3 provides a detailed reconciliation of the Original 2012/13 budget to the Latest Approved 2012/13 budget.

## 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 2013/14 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 budgetary control and monitoring arrangements.

## 5. FINANCIAL IMPLICATIONS

- 5.1 A detailed breakdown of the projected outturn by service area is shown in Appendix 1(a) with explanatory notes in Appendix 1 (b).
- 5.2 The main variations since the last Budget Monitoring report in March are shown in table 2 below broken down over the divisions:-

Table two

### **Movement since the January Budget Monitoring**

	<b><u>£000</u></b>
Access	
Increases in trading account income	-7
Fewer 2 year old grant payments than expected	-67
Ceasing pupil clothing grant	-12
Staffing in access and admissions	-13
SEN and Inclusion	
More income from Education Psychology trading account	-5
Less expenditure on tribunals and pre school services than expected	-13
Less expenditure on transport contract, drivers and escorts	-82
Education Commissioning and Business Services - Restructure of service not realising as much savings as anticipated	11
School Improvement - Restructure of service realised more savings than anticipated	-77
Youth Service - decrease in the early achievement of savings	25
Adult Education - delay in implementing the restructure	59
<b>Difference by Division</b>	<b><u>-181</u></b>
More expenditure recharged to DSG	-560
Prior year creditor not needed	-236
	<b><u>-796</u></b>
<b>Total</b>	<b><u>-977</u></b>

<b>Non-Applicable Sections:</b>	Legal Personnel
Background Documents: (Access via Contact Officer)	2012/13 Budget files in ECHS Finance Section

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## Education Budget Outturn Summary

2011/12 Actuals £'000	Division Service Areas	2012/13 Original Budget £'000	2012/13 Latest Approved £'000	2012/13 Provisional Outturn £'000	Provisional Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
1,904	<b>Education Division</b> Access	1,813	2,561	2,146	-415	1	-316	0
3,440	SEN and Inclusion	3,961	3,924	3,229	-695	2	-595	0
1,845	Education Commissioning and Business Services	941	811	464	-347	3	-358	0
1,055	School Improvement	653	429	248	-181	4	-104	0
<b>8,244</b>		<b>7,368</b>	<b>7,725</b>	<b>6,087</b>	<b>-1,638</b>		<b>-1,373</b>	<b>0</b>
	<b>Children's Social Care</b>							
3,118	Bromley Youth Support Programme - (Youth Services)	2,322	2,322	1,927	-395	5	-420	0
2,395	Referral and Assessment Childrens Centres	2,027	2,237	1,916	-321	5	-321	0
<b>5,513</b>		<b>4,349</b>	<b>4,559</b>	<b>3,843</b>	<b>-716</b>		<b>-741</b>	<b>0</b>
	<b>Adult Education Centres</b>							
-291	Adult Education Centres	-570	-570	-511	59	6	0	0
<b>-291</b>		<b>-570</b>	<b>-570</b>	<b>-511</b>	<b>59</b>		<b>0</b>	<b>0</b>
	<b>Early Intervention Grant</b>							
-11,001	Early Intervention Grant	-12,010	-12,024	-12,024	0		0	0
<b>-11,001</b>		<b>-12,010</b>	<b>-12,024</b>	<b>-12,024</b>	<b>0</b>		<b>0</b>	<b>0</b>
	Effect of Prior Years Creditors	0	0	-236	-236	7	0	0
<b>2,465</b>	<b>TOTAL CONTROLLABLE FOR EDUCATION</b>	<b>-863</b>	<b>-310</b>	<b>-2,841</b>	<b>-2,531</b>		<b>-2,114</b>	<b>0</b>
36,666	<b>TOTAL NON CONTROLLABLE</b>	16,344	11,787	11,787	0		-26	0
3,333	<b>TOTAL EXCLUDED RECHARGES</b>	4,599	4,731	4,731	0		0	0
<b>42,463</b>	<b>TOTAL EDUCATION</b>	<b>20,080</b>	<b>16,208</b>	<b>13,677</b>	<b>-2,531</b>		<b>-2,140</b>	<b>0</b>
0	Increased recharge to DSG	0	0	-560	-560	8	0	0
<b>42,463</b>	<b>PORTFOLIO TOTAL</b>	<b>20,080</b>	<b>16,208</b>	<b>13,117</b>	<b>-3,091</b>		<b>-2,140</b>	<b>0</b>
<b>Memorandum Item</b>								
	<b>Sold Services</b>							
	Education Development Centre (RSG Funded)	0	0	59	59			
	Education Development Centre (DSG Funded)	1,115	1,115	942	-173			
	Education Psychology Service (RSG Funded)	0	0	69	69			
	Education Welfare Service (RSG Funded)	0	0	-21	-21			
	Behaviour Support (Secondary) (DSG Funded)	57	0	150	150			
	Behaviour Support (Primary) (DSG Funded)	76	0	6	6			
	Free School Meals (RSG Funded)	0	0	0	0			
	Business Partnerships (RSG Funded)	0	0	-2	-2			
	<b>Sub-total Sold Services</b>	<b>1,248</b>	<b>1,115</b>	<b>1,203</b>	<b>88</b>			

TABLE 1: SCHOOLS' BUDGET PART OF EACH SERVICE	2012/13 Original Budget £'000	2012/13 Latest Approved £'000	2012/13 March Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000	Variation from January £'000
Access	14,653	14,525	14,432	-93	9	-11	0	-82
SEN and Inclusion	21,273	21,273	20,445	-828		-688	0	-140
Education Commissioning and Business Services	1,115	1,115	942	-173		-104	0	-69
School Improvement	80	80	0	-80		-62	0	-18
Schools Budgets	95,118	95,246	90,994	-4,252		-627	0	-3,625
Dedicated Schools Grant & Pupil Premium	-133,008	-133,008	-127,582	5,426		1,492	0	3,934
Care and Resources - CS Port	723	723	723	0		0	0	0
Bromley Youth Support Programme - CS Port	46	46	46	0		0	0	0
<b>MET FROM COUNCIL BUDGET</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>
TABLE 2: NON-SCHOOLS BUDGETS FOR EACH SERVICE	2012/13 Original Budget £'000	2012/13 Latest Approved £'000	2012/13 March Projection £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000	
<b>Education Division</b>								
Access	1,813	2,561	2,146	-415	1	-316	0	-99
SEN and Inclusion	3,961	3,924	3,229	-695	2	-595	0	-100
Education Commissioning and Business Services	941	811	464	-347	3	-358	0	11
School Improvement	653	429	248	-181	4	-104	0	-77
Referral & Assessment - Children's Centres	2,027	2,237	1,916	-321	5	-321	0	0
Bromley Youth Support Programme	2,322	2,322	1,927	-395	5	-420	0	25
	<b>11,717</b>	<b>12,284</b>	<b>9,930</b>	<b>-2,354</b>		<b>-2,114</b>	<b>0</b>	<b>-240</b>
Effect of prior year's creditors	0	0	-236	-236	7	0	0	-236
<b>Early Intervention Grant</b>	<b>-12,010</b>	<b>-12,024</b>	<b>-12,024</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>
<b>ADULT EDUCATION</b>	<b>-570</b>	<b>-570</b>	<b>-511</b>	<b>59</b>	6	<b>0</b>	<b>0</b>	<b>59</b>
<b>Total Education Controllable</b>	<b>-863</b>	<b>-310</b>	<b>-2,841</b>	<b>-2,531</b>		<b>-2,114</b>	<b>0</b>	<b>-417</b>
TOTAL NON CONTROLLABLE & EXCLUDED	20,943	16,518	16,518	0		-26	0	26
<b>TOTAL NON-SCHOOLS BUDGET</b>	<b>20,080</b>	<b>16,208</b>	<b>13,677</b>	<b>-2,531</b>		<b>-2,140</b>	<b>0</b>	<b>-391</b>
TABLE 3: TOTAL FOR EACH SERVICE	2012/13 Original Budget	2012/13 Latest Approved	2012/13 March Projection	Variation £'000		Last Reported £'000	Full Year Effect £'000	
<b>Education Division</b>								
Access	16,466	17,086	16,578	-508	8	-327	0	-181
SEN and Inclusion	25,234	25,197	23,674	-1,523		-1,283	0	-240
Education Commissioning and Business Services	2,056	1,926	1,406	-520		-462	0	-58
School Improvement	733	509	248	-261		-166	0	-95
Schools Budgets	95,118	95,246	90,994	-4,252		-627	0	-3,625
Dedicated Schools Grant & Pupil Premium	-133,008	-133,008	-127,582	5,426		1,492	0	3,934
Early Intervention Grant	-12,010	-12,024	-12,024	0		0	0	0
Referral & Assessment	2,027	2,237	1,916	-321		-321	0	0
Bromley Youth Support Programme	2,322	2,322	1,927	-395		-420	0	25
<b>TOTAL CONTROLLABLE FOR EDUCATION</b>	<b>-1,062</b>	<b>-509</b>	<b>-2,863</b>	<b>-2,354</b>		<b>-2,114</b>	<b>0</b>	<b>-240</b>
Effect of prior year's creditors	0	0	-236	-236		0	0	-236
<b>ADULT EDUCATION</b>	<b>-570</b>	<b>-570</b>	<b>-511</b>	<b>59</b>				<b>59</b>
<b>TOTAL CONTROLLABLE FOR PORTFOLIO</b>	<b>-1,632</b>	<b>-1,079</b>	<b>-3,610</b>	<b>-2,531</b>		<b>-2,114</b>	<b>0</b>	<b>-417</b>
TOTAL NON CONTROLLABLE & EXCLUDED	20,943	16,518	16,518	0		-13	0	0
Increased recharge to DSG	0	0	-560	-560				
DSG Funded - Care Services Portfolio	769	769	769	0		0	0	0
<b>PORTFOLIO TOTAL</b>	<b>20,080</b>	<b>16,208</b>	<b>13,117</b>	<b>-3,091</b>		<b>-2,127</b>	<b>0</b>	<b>-964</b>



## Education Portfolio Outturn Report

### 1. Access - Cr £415k

As a result of the restructure of the Early Years service, there is an underspend of £80k in staffing costs, and £130k for SLA's for courses and support in nurseries. There is also an underspend of £108k relating to nursery payments for 2 year olds, the increase due to the high number of applications received in February/March without supporting documentation for which payments cannot be backdated. From 2013/14 onwards, there is £2.8m funding within the DSG for this service, so the 2012/13 RSG budget of £722k has been released.

There is a £51k underspend relating to Pupil Clothing expenditure. This service has now ceased, creating a saving of £100k as reported in February 2012.

There is an overspend of £21k in Access & Admissions, mainly due to lower levels of staff turnover than budgeted for, and on printing brochures, posters and application forms etc

An underspend of £60k within the Education Welfare Service is the result of an overachievement of trading account income and two vacant posts, which have been deleted as part of the 2013/14 savings.

	Variations £
Early Years	-210,000
Early Years - NEG Payments (2 year olds)	-108,000
Pupil Clothing & transport	-51,000
Access & Admissions	21,000
Catering & Cleaning trading account	-7,000
Education Welfare Service	-60,000
	<b>-415,000</b>

### 2. SEN and Inclusion - Cr £695k

Transport for children with special education needs has underspent by £567k. This is due to price increases below inflation and optimisation of route planning, a one-off overachievement of recoupment income, and a small overspend on vehicle repairs. As previously reported, there is also a one-off underspend of £200k relating to previous years items.

There is also a total overspend of £72k in other areas of SEN and Inclusion, due to increased use of consultancy for SEN tribunals, and a shortfall of trading account income in the Education Psychology Service.

	Variations £	
Education psychology service		35,000
SEN admin		41,000
SEN pre-school service		-4,000
SEN transport		
-Drivers and escorts	-18,000	
-Transport contract	-482,000	
-Recoupment income	-79,000	
-Creditor provision	-200,000	
-Vehicle repairs	12,000	-767,000
		<b>-695,000</b>

### 3. Education Commissioning and Business Services - Cr £347k

There is an underspend of £314k in the commissioning team, primarily due to 8 vacant posts remaining unfilled for much of the year. This is partially offset by a shortfall of income anticipated for the EDC trading account. There is also an underspend within the Primary Business Partnerships budget due to a staff vacancy, and an overachievement of income on the trading account.

	Variations £
Commissioning - EDC	-314,000
EDC Trading A/C - RSG	59,000
Primary Central Business Partnerships	-92,000
	<b>-347,000</b>

### 4. School Improvement - Cr £181k

The School Improvement service was also part of the EDC restructure, resulting in part year savings of £149k, mainly from employee costs, and £32k on PSAG.

	Variations
	£
School Improvement	-181,000
	<u>-181,000</u>

### 5. Children's Centres & Bromley Youth Support Programme - Cr £716k

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.

Within the Youth Service there is a net underspend of £395k as a result of the early achievement of 2013/14 savings (£580k). Some of the previously identified in-year underspend has been used to fund some urgent Youth Centre refurbishment.

Children's Centres have underspent by £297k. This is made up of salaries (£122k), premises costs (£58k) less additional archiving costs (£3k), and the underspend carried forward from 2011/12 (£120k), which has not been spent due to delays beyond the department's control. A request has been made to carry this underspend forward to 2013/14.

There is also an underspend of £24k on salaries in the Parent Partnership team.

	Variations	
	£	
Youth service	-395,000	
Parent partnership	-24,000	
Children's centres		
- Salaries	-122,000	
- Premises	-58,000	
- Archiving	3,000	
- Unspent carry forward	<u>-120,000</u>	-297,000
	<u>-716,000</u>	

### 6. Adult Education Centres - Dr £59k

As a result of the large reduction in Skills Funding Agency grant for Adult Education between 2010/11 and 2013/14 academic years, the Adult Education Service underwent a major restructure in September 2012, the costs of which were met from the £110k redundancy reserve approved by Executive in June 2012.

A minor delay in implementing the restructure, as well as some costs coming in higher than anticipated e.g. legal fees & HR costs, has resulted in an overspend of £59k.

	Variations
	£
Adult Education Centres	59,000
	<u>59,000</u>

### 7. Effect of prior year's creditors - Cr £236k

There is a non-recurrent underspend of £236k 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, the actual costs incurred have not been as high as originally anticipated.

### 8. Recharge to Dedicated Schools Grant - Cr £560k

The recharge to DSG has increased by £560k to £1,377k to cover additional fixed costs and recharges. Detailed work has been carried out by officers to ascertain the correct level of charge from the DSG for 2012/13 onwards. However the final adjustment is not known until the end of the year.

The increased level of recharge in 2012/13 is similar in amount to the 2013/14 budgeted contribution of £1,431k

### 9. 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. There is a total underspend of £5,426k on DSG funded services as outlined below. Subject to approval, surplus funds may be given to schools as a one off payment, whilst carrying forward some funding centrally to offset any future unknown pressures.

SEN placements have created an underspend of £529k. 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 £150k underspend on the DSG funded element of SEN transport, and £149k underspend relating to sensory support and pre-school SEN.

There is an underspend of £436k for the Behaviour Service, primarily due to various posts remaining vacant throughout much of the year, and several full time posts only being filled by part-time employees. There is also an overspend of £35k on transport costs.

Nursery Education payments for 3 and 4 year olds has overspent by £338k due to a higher level of demand than expected. The current budget for this part of the early years service is £9.8m, and growth of £372k has been allocated for 2013/14.

An underspend of £57k arose when the Carbon Reduction Commitment allowances for 2011/12 were been paid below the value estimated when closing the 2011/12 accounts, and £174k for the 12/13 CRC's paid in April 2013.

Due to early repayment of an invest to save loan in 2011/12, there is an underspend of £570k relating to the interest payments. The restructure of the EDC has resulted in part-year savings of £253k.

Finally, the amount of DSG carried forward from 2010/11 and the 2011/12 contingency budget remains almost wholly unspent, partly offset by non-controllable costs being allocated above budgeted levels.

	Variations	
	£	£
Behaviour service	-436,000	
Access & Admissions	5,000	
Early years - NEG payments	<u>338,000</u>	
		-93,000
SEN placements	-529,000	
SEN Transport	-150,000	
Sensory support & pre-school services	<u>-149,000</u>	-828,000
EDC Trading A/C - DSG		-173,000
School Improvement		-80,000
Carbon reduction commitments	-231,000	
Interest payments	-570,000	
Non-controllable	560,000	
Unspent contingency	-1,569,000	
Maternity cover, school meals	<u>60,000</u>	
		-1,750,000
2011/12 DSG carry forward	-1,698,000	
2011/12 SF carry forward	-744,000	
Actual DSG received	<u>-60,000</u>	
		-2,502,000
<b>Underspend to be carried forward to 13/14</b>		<b><u>-5,426,000</u></b>

#### Director's Comments

As we have had greater clarity around the direction of travel for education services we have been able to plan for future pressures, with significant numbers of posts held vacant prior to our major reorganisations. The significant loss of LACSEG has now been fully built into budgets with identified cost centres closed down early wherever possible. Taken alongside the early delivery of savings, Education is returning a figure some £3.1m below the agreed annual budget. There is a clear plan for the savings necessary in 13/14 to offset the funding pressures on the local authority as more schools convert to academy status. At the same time, the key policy of this area, support for the academisation of our schools, continues to gather momentum with the expectation being that around two-thirds would have converted by the start of the new school year.

#### Contract Waivers

One contract waiver has been approved since the last budget monitoring report to the Education Budget Sub Committee

- The Director of Education and Care Services approved the purchase of education software license and annual maintenance, with a value of £74k

#### Virements

A virement for £10,350 was approved in February by the Director of Education and Care Services for the transfer of a post from the Short Breaks service to the pre-school SEN service. The full year effect of this virement is £20,700.

**Education and Care Services**

**Children's Centres**

The service request a carry forward from the 2012/13 Bromley Childrens Project underspends of £297k as approved by the Education PDS on 19<sup>th</sup> March. The money will be used along with the residual balance of £200k in the Sure Start Capital programme to make essential repairs to Castelcombe and Mottingham children's centres.

297,000

**LATEST APPROVED BUDGET 2012/13**  
**Education Portfolio**

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

<b>2012/13 Original Budget</b>	£'000
Education Division	<b>26,874</b>
Children's Social Care	<b>5,209</b>
Adult Education	<b>7</b>
Early Intervention Grant	<b>-12,010</b>
	<b>20,080</b>
<b>General</b>	
Carry forward from 2011/12	120
Transfer of Strategic Property Manager from Resources	76
Restructure of Care Services Commissioning	-25
Draw down of Early Years funding	400
Transfer of Catering & Cleaning Service from Resources	14
Draw down of KS2 writing moderation income	-14
Transfer of post from Short Breaks (Care Services)	10
Capital Charges	187
Deferred Charges (REFCUS)	-966
Impairment	932
Government Grants Deferred	-8,015
Insurance	-4
Repairs & Maintenance	-60
IAS19 (FRS17)	3,369
Excluded Recharges	104
<b>Latest Approved Budget</b>	<b>16,208</b>

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Report No.  
ED13075

## London Borough of Bromley

### PART ONE - PUBLIC

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

Date: **23<sup>rd</sup> July 2013**

Decision Type: Non-Urgent Executive Non-Key

**TITLE: EDUCATION PORTFOLIO BUDGET MONITORING REPORT 2013/14**

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

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#### **1. REASON FOR REPORT AND SUMMARY OF BUDGET POSITION**

- 1.1 This report reviews budget monitoring based on spending to the end of May 2013.
- 1.2 The Schools' Budget is funded from Dedicated Schools' and specific grants and is forecast to be underspent by £458,000. Any over or underspends on this budget are carried forward into the next financial year.
- 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 £89,000.

#### **2. RECOMMENDATIONS**

- 2.1 The Education Budget Sub committee is invited to:
  - (i) Consider the latest 2013/14 budget projection for the Education Portfolio;
  - (ii) Consider the draw down from central contingency of the carry forward request of £297,000
  - (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: £14,231k
  5. Source of funding: RSG, Council Tax, DSG, other grants
- 

### Staff

1. Number of staff (current and additional): 2,074 Full Time Equivalent, of which 1,760 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 1, broken down over each division within the service. Appendix 2 gives explanatory notes on the movements in each service.

#### **The Schools' Budget**

- 3.1 An element of the Education budget within Education Care and Health Services (ECHS) department is classed as Schools budget and is funded by the Dedicated schools Grant (DSG) this is projected to underspend by £458,000. Legislation requires that any variance should be carried forward to the next financial year. Details are contained within Appendix 2 and 3.

#### **The Non-Schools' Budget**

- 3.2 An element of the Education budget within ECHS is classed as Non Schools Budget and this is projected to underspend by £89,000. Details are contained within Appendix 2 and 3.
- 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.

#### **Director's Comments**

- 3.4 Although very early, projections show the Education budget to be in-line with the required levels of expenditure. Major reorganisations continue in the Education team which should give further service efficiencies and so leave these budgets well placed to respond to in-year pressures should any appear. Increasingly effective use is being made of DSG, for example in supporting placement costs, which further reduces the pressures on the Council’s controllable budget.

#### **Drawdown of carry forward request**

- 3.5 On the 12<sup>th</sup> June 2013 the Executive was asked to approve a number of carry forward requests relating to either unspent grant income, or delays in expenditure where cost pressures will follow through into 2013/14. Before being drawn down all carry forward requests must be approved by the relevant PDS.

The Education Portfolio requested one carry forward of £297,000. This is to cover the costs of urgent property works at children’s centres.

### **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 2013/14 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 2013/14 budget for the Education Portfolio is projected to be underspent by £89,000 at the year end based on the financial information as at 31<sup>st</sup> May 2013. This is in the main due to above budget trading income in the Education Welfare Service and lower than expected costs in Education Transport.
- 5.2 A detailed breakdown of the projected outturn by service is shown in Appendix 1 with explanatory notes in Appendix 2. Appendix 3 shows the split between Schools Block and Local Authority Block. Appendix 4 gives the analysis of the latest approved budget.

<b>Non-Applicable Sections:</b>	Legal Implications Personnel Implications
Background Documents: (Access via Contact Officer)	2013/14 Budget Monitoring files in ECHS Finance Section

Education Budget Monitoring Summary May 2013

2012/13 Actuals £	Division Service Areas	2013/14 Original Budget £	2013/14 Latest Approved £	2013/14 Projection £	Variation £	Notes	Variation Last Reported £		Full Year Effect £
	<b>Education Division</b>								
1,879	Access	1,469	1,465	1,412	-53	1	0		0
-511	Adult Education Centres	-618	-619	-619	0		0		0
148	School Standards	115	114	114	0		0		0
4,099	SEN and Inclusion	4,718	4,751	4,709	-42	2	0		0
0	Workforce Development & Governor Services	0	0	0	0		0		0
0	Education Services Grant	-3,282	-3,282	-3,282	0		0		0
74	Schools Budgets	-1,431	-1,431	-1,431	0	3	0		0
158	Other Strategic Functions	148	170	176	6	4	0		0
0	Early Years	0	0	0	0		0		0
-51	Primary Schools	0	0	0	0		0		0
-1,368	Secondary Schools	0	0	0	0		0		0
-17	Special Schools	0	0	0	0		0		0
400	Education Commissioning and Business Services	0	0	0	0		0		0
131	School Improvement	0	0	0	0		0		0
<b>4,942</b>		<b>1,119</b>	<b>1,168</b>	<b>1,079</b>	<b>-89</b>		<b>0</b>		<b>0</b>
	<b>Children's Social Care</b>								
2,002	Bromley Youth Support Programme - (Youth Services)	1,773	1,788	1,788	0		0		0
1,453	Referral and Assessment Childrens Centres	2,086	2,104	2,104	0		0		0
<b>3,455</b>		<b>3,859</b>	<b>3,892</b>	<b>3,892</b>	<b>0</b>		<b>0</b>		<b>0</b>
	<b>Early Intervention Grant</b>								
-11,798	Early Intervention Grant	0	0	0	0		0		0
<b>-11,798</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>		<b>0</b>
<b>-3,401</b>	<b>TOTAL CONTROLLABLE FOR EDUCATION</b>	<b>4,978</b>	<b>5,060</b>	<b>4,971</b>	<b>-89</b>		<b>0</b>		<b>0</b>
11,787	<b>TOTAL NON CONTROLLABLE</b>	5,553	5,553	5,553	0		0		0
4,731	<b>TOTAL EXCLUDED RECHARGES</b>	3,618	3,618	3,618	0		0		0
<b>13,117</b>	<b>PORTFOLIO TOTAL</b>	<b>14,149</b>	<b>14,231</b>	<b>14,142</b>	<b>-89</b>		<b>0</b>		<b>0</b>
	<b>Memorandum Item</b>								
	<b>Sold Services</b>								
	Education Psychology Service (RSG Funded)	0	0	0	0	5			
	Education Welfare Service (RSG Funded)	0	0	-46	-46				
	Behaviour Support (Secondary) (RSG Funded)	0	0	0	0				
	Workforce Development (DSG/RSG Funded)	0	0	15	15				
	Governor Services (DSG/RSG Funded)	0	0	25	25				
	Catering & Cleaning (RSG Funded)	0	0	-31	0				
	Business Partnerships (RSG Funded)	0	0	0	0				
	<b>Sub-total Sold Services</b>	<b>0</b>	<b>0</b>	<b>-37</b>	<b>-6</b>				

## Education Portfolio - May Budget Monitoring

### 1. Access - Cr £53k

An projected underspend of £41k within the Education Welfare Service is the result of an overachievement of trading account income and a reduced level of resource required to generate this income.

Business support is expected to underspend by £14k due to a full time post being filled on a part time basis.

	Projected Variations
	£
Education Welfare Service	-41,000
Business Support	-14,000
Capital & Facilities Management	2,000
	<u>-53,000</u>

### 2. SEN and Inclusion - Cr £42k

Based on information currently available, an underspend of £42k is projected for transport for children with special education needs. Depending on the changes to routes required for the 2013/14 academic year, there could be a significant change to this figure, although at present it is expected to be minimal.

	Projected Variations
	£
SEN Transport	-42,000
	<u>-42,000</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 £458k is currently projected on DSG funded services as outlined below.

As a result of the funding changes for 2013/14, the SEN placement budget was built from a zero base. Initial figures suggest that there will be an overspend of £19k due to costs recharged for pupils placed in respite expected to be higher than forecast.

The deaf centres are projected to underspend by £55k, mainly on staffing budgets, as a result of staff working less hours than budgeted for, as well as several staff who have opted out of the pension scheme.

In addition, there is an expected underspend of £79k for assessment and support of children with complex medical needs in mainstream schools, and an underspend of £156k within the pre-school SEN service, primarily due to staff vacancies, and staff working fewer hours than budgeted for.

Within the behaviour service, underspends are expected of £15k for the new Early Intervention Service due to a staff vacancy, £78k for Progression Courses due to overachievement of income, and £56k relating to the currently vacant head of service post. There is a projected overspend of £30k on staffing in the Home and Hospital service.

Finally, there is an overspend of £54k caused by a delay in the implementation of the restructure of the EDC.

	Projected Variations	
	£	£
SEN		
- Placements	19,000	
- Transport	-121,000	
- Deaf centres & sensory support	-55,000	
- Support in mainstream	-17,000	
- Pre-school service	<u>-219,000</u>	-393,000
Behaviour service		-119,000
School Improvement		54,000
		<u>-458,000</u>

### 4. Other Strategic Functions - Dr £6k

A small overspend of £6k is expected relating to grants and subscriptions.

	Projected Variations
	£
Other Strategic Functions	6,000
	<u>6,000</u>

## **5. Sold Services**

Current projections show an adverse variation in the Workforce Development and Governor Services trading accounts, however this is offset by an underspend on the service due to staff vacancies.

### **Contract Waivers**

No contract waivers have been approved since the 2012/13 outturn report.

### **Virements**

No virements have been approved since the 2012/13 outturn report.

### **Director's Comments**

Although very early, projections show the Education budget to be in-line with the required levels of expenditure. Major reorganisations continue in the Education team which should give further service efficiencies and so leave these budgets well placed to respond to in-year pressures should any appear. Increasingly effective use is being made of DSG, for example in supporting placement costs, which further reduces the pressures on the Council's controllable budget.

**Education Budget Monitoring Summary May 2013**

Division Service Areas	RSG						DSG					
	Original Budget	Revised Budget	Projection	Variation	Last Reported Variation	FYE	Original Budget	Revised Budget	Projection	Variation	Last Reported Variation	FYE
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Education Division</b>												
Access	1,469	1,465	1,412	-53	0	0	14,491	14,491	14,372	-119	0	0
Adult Education Centres	-618	-619	-619	0	0	0	0	0	0	0	0	0
School Standards	115	114	114	0	0	0	330	330	330	0	0	0
SEN and Inclusion	4,718	4,751	4,709	-42	0	0	23,854	23,875	23,482	-393	0	0
Workforce Development & Governor Services	0	0	0	0	0	0	192	192	192	0	0	0
Education Services Grant	-3,282	-3,282	-3,282	0	0	0	0	0	0	0	0	0
Schools Budgets	0	0	0	0	0	0	-131,773	-131,773	-131,773	0	0	0
Other Strategic Functions	148	170	176	6	0	0	0	0	0	0	0	0
Early Years	0	0	0	0	0	0	1,231	1,231	1,231	0	0	0
Primary Schools	0	0	0	0	0	0	68,808	68,808	68,808	0	0	0
Secondary Schools	0	0	0	0	0	0	2,793	2,793	2,793	0	0	0
Special Schools	0	0	0	0	0	0	17,972	17,972	17,972	0	0	0
School Improvement	0	0	0	0	0	0	0	0	54	54	0	0
	<b>2,550</b>	<b>2,599</b>	<b>2,510</b>	<b>-89</b>	<b>0</b>	<b>0</b>	<b>-2,102</b>	<b>-2,081</b>	<b>-2,539</b>	<b>-458</b>	<b>0</b>	<b>0</b>
<b>Children's Social Care</b>												
Bromley Youth Support Programme - (Youth Services)	1,773	1,788	1,788	0	0	0	0	0	0	0	0	0
Referral and Assessment Childrens Centres	2,086	2,104	2,104	0	0	0	0	0	0	0	0	0
	<b>3,859</b>	<b>3,892</b>	<b>3,892</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL CONTROLLABLE</b>	<b>6,409</b>	<b>6,491</b>	<b>6,402</b>	<b>-89</b>	<b>0</b>	<b>0</b>	<b>-2,102</b>	<b>-2,081</b>	<b>-2,539</b>	<b>-458</b>	<b>0</b>	<b>0</b>
<b>TOTAL NON CONTROLLABLE</b>	5,455	5,455	5,455	0	0	0	98	98	98	0	0	0
<b>TOTAL EXCLUDED RECHARGES</b>	2,285	2,285	2,285	0	0	0	1,333	1,333	1,333	0	0	0
<b>PORTFOLIO TOTAL</b>	<b>14,149</b>	<b>14,231</b>	<b>14,142</b>	<b>-89</b>	<b>0</b>	<b>0</b>	<b>-671</b>	<b>-650</b>	<b>-1,108</b>	<b>-458</b>	<b>0</b>	<b>0</b>

## BUDGET VARIATIONS - ALLOCATIONS FOR 2013/14

### Education Portfolio - May

<b>2013/14 Original Budget</b>	£'000
Education Division	<b>9,672</b>
Children's Social Care	<b>4,477</b>
	<b>14,149</b>
<b>General</b>	
Localisation of pay and conditions	69
Transfer of short breaks post	21
Training budgets	-8
<b>Latest Approved Budget</b>	<b>14,231</b>

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**London Borough of Bromley**

**PART 1 - PUBLIC**

**Briefing for Education Budget Sub-Committee  
Tuesday 23 July 2013**

**JUNE 2013 SPENDING REVIEW**

Contact Officer: David Bradshaw, Head of Education and Care Services Finance  
Tel: 020 8313 4807 E-mail: Tel: 020 8313 4807

Chief Officer: Executive Director of Education, Care & Health Services

**Overview**

- Spending in 2015/16 in Government to total £745bn
- 1% cut in Local Government in 2014/15. Guidance awaited from the DCLG as to how this is to be dealt with.
- Further cuts of £11.5 billion in 2015/16 across Government.
- Local Government resources expenditure being reduced by 10% in 2015/16
- Bromley is a low grant authority and we historically receive a higher proportion of cuts than the average. We also have grant damping protection of £12.6m
- Stimulating growth in three areas where returns are believed to be highest:-
  - Transport
  - Science and innovation
  - Education and skills
  - Business support
  - Reforms to drive competition and red tape

## **Funding Level reductions**

### **Resource Departmental Expenditure Limits (DEL) by Government Department 2014/15 and 2015/16**

<u>Year</u> <u>Source</u>	<u>2014/15</u> <u>Budget 2013</u> <u>£BN</u>	<u>2014/15</u> <u>SR 2013</u> <u>£BN</u>	<u>2015/16</u> <u>SR 2013</u> <u>£BN</u>	<u>Real Term % Change</u> <u>SR 2013</u>
Department				
Education	53.8	52.8	53.2	-1.0%
NHS (Health)	109.8	108.3	110.4	0.1%
Transport	4.4	3.5	3.2	-9.3%
CLG Communities	1.3	1.2	1.1	-10.0%
CLG Local Government	21.7	25.6	23.5	-10.0%
Business, Innovation and Skills	13.8	13.6	13	-5.9%
Home Office	7.4	10.4	9.9	-6.1%
Justice	6.8	6.8	6.2	-10.0%
Law Officers Departments	0.5	0.5	0.5	-5.0%
Defence	24.5	23.9	23.9	-1.9%
Foreign and Commonwealth Office	1.1	1.2	1.1	-6.3%
International Development	8.3	8.3	8.5	1.1%
Energy and Climate Change	1.1	1	1	-8.0%
Environment, Food and Rural Affairs	1.7	1.7	1.6	-9.6%
Culture , Media and Sport	1.1	1.2	1.1	-7.0%
Work and Pensions	7.4	5.5	5	-9.5%

## **Impact on Local Government in general**

The settlement includes:-

- Funding being made available for 2014/15 and 2015/16 for those authorities who freeze their Council Tax. Authorities will receive a grant worth the equivalent of 1% increase
- Those authorities who increase their Council Tax can do so by up to 2%. Otherwise a referendum should take place. This has been confirmed for the next two years.
- £200m extension of the tackling troubled families programme. Payments by results scheme means that Councils could receive up to £4,500 when they get to grips with a family. Unclear at present as to how much will filter down to local government
- £100m Collaboration and Efficiency Fund
- £335m available in 2015/16 so Councils can prepare for the delivery of the reformed social care funding system including the capped costs from April 2106 and universal; deferred payment agreements from 2015
- £350m to support people with a disability or long term health condition to move or stay in work
- £3.8bn to be put into a pooled budget for health and social care services shared between the NHS and Local Authorities. No detail as yet but this is potentially significant funding for Bromley and any use of the funding will require agreement from the CCG and the Health and Well Being Board. May have to be used to fund the cap on care costs, etc.

## **Impact on Education**

The settlement includes:-

- Education Services Grant to be reduced by £200m in 2015/16. This is a cut of around 25%. Loss of funding also dependant on the flow of schools converting to academy status.

- Real terms protection of the schools budget and pupil premium.
- Commitment to consult on how to introduce a national funding formula for schools in 2015-16.
- Continued roll out of academies with the aim to drive down the central costs of the programme and deliver savings of £150 million in 2015-16.
- Funding for 180 new Free Schools, 20 new Studio Schools and 20 new University Technical colleges a year.
- DfE to consult this autumn regarding how these reductions can be implemented.
- The Early Years 15 hours a week of free early education for all three and four year olds will be maintained.
- Confirmed that free entitlement still extended to most disadvantaged two-year olds in September 2013 and to increase to around 40 per cent in 2014-15.

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