



THE LONDON BOROUGH
www.bromley.gov.uk

BROMLEY CIVIC CENTRE, STOCKWELL CLOSE, BROMLEY BRI 3UH

TELEPHONE: 020 8464 3333

CONTACT: Philippa Gibbs
philippa.gibbs@bromley.gov.uk

DIRECT LINE: 020 8461 7638

FAX: 020 8290 0608

DATE: 7 January 2016

To: Members of the
EDUCATION BUDGET SUB-COMMITTEE

Councillor Neil Reddin FCCA (Chairman)

Councillor Teresa Ball (Vice-Chairman)

Councillors Kathy Bance MBE, Nicholas Bennett J.P., Alan Collins and Ellie Harmer

A meeting of the Education Budget Sub-Committee will be held at Bromley Civic Centre on **THURSDAY 14 JANUARY 2016 AT 7.00 PM**

MARK BOWEN
Director of Corporate Services

Copies of the documents referred to below can be obtained from
<http://cds.bromley.gov.uk/>

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 8th January 2016.

4 MINUTES OF THE MEETING HELD ON 20TH OCTOBER 2015 AND MATTERS OUTSTANDING (Pages 3 - 10)

5 CAPITAL PROGRAMME MONITORING - 2ND QUARTER 2015/16 (Pages 11 - 18)

6 EDUCATION PORTFOLIO BUDGET 2016/17 (Pages 19 - 32)

7 DEDICATED SCHOOLS FUNDING GRANT (Pages 33 - 48)

8 ANY OTHER BUSINESS

9 DATE OF NEXT MEETING

7.00pm, Tuesday 16th February 2016

This page is left intentionally blank

EDUCATION BUDGET SUB-COMMITTEE

Minutes of the meeting held at 7.00 pm on 20 October 2015

Present:

Councillor Neil Reddin FCCA (Chairman)
Councillor Teresa Ball (Vice-Chairman)
Councillors Kathy Bance MBE and Russell Mellor

Councillor Peter Fortune, Portfolio Holder for Education
Councillor Tom Philpott, Executive Support Officer to the Portfolio Holder for Education

Also Present:

Jane Bailey, Director: Education
James Mullender, Finance Manager

10 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Alan Collins and Councillor Ellie Harmer.

Apologies for absence were also received from Councillor Nicholas Bennett JP and Councillor Russell Mellor attended as his substitute.

11 DECLARATIONS OF INTEREST

The Chairman noted that Declarations of Interest made by Members at the meeting of Education PDS Committee on 8th July 2015 were taken as read.

12 QUESTIONS FROM MEMBERS OF THE PUBLIC ATTENDING THE MEETING

No questions had been received from members of the public.

13 MINUTES OF THE MEETING HELD ON 30TH JUNE 2015 AND MATTERS OUTSTANDING

In considering matters outstanding from previous meetings, the Finance Manager confirmed that there had been a total overspend of £11k for Governor Services training for 2014/15, when additional income of £13k that was received in 2013/14 was taken into account. The future provision of Governor Services was currently being reviewed as part of the commissioning process for Education Services.

RESOLVED that the minutes of the meeting held on 30th June 2015 be agreed.

14 EDUCATION PORTFOLIO BUDGET MONITORING 2015/16

Report ED15120

The Sub-Committee considered a report setting out the budget monitoring position for the Education Portfolio based on the projected outturn position for 2015/16. The Schools' Budget, funded from Dedicated Schools' Grant and specific grants was projected to be in an underspend position of £75k, which would be added to the £9.9m Dedicated Schools Grant carried forward from previous years, much of which would be spent during 2015/16 with £3m agreed for the refurbishment of Beacon House, £3.5m as a one-off distribution to schools and £2m to contain growth for two years. The controllable part of the Non-Schools' Budget, funded from Council Tax, Revenue Support and specific grants was projected to be in an overspend position of £529k, which included a significant overspend in the Adult Education Service.

Members were advised that despite a restructure of the Adult Education Service in 2012/13 and several other measures to contain a reduction in grant received from the Skills Funding Agency in recent years, the current projection was for a 382k overspend in the Adult Education Service for 2015/16, for which the Council's Executive was requested to approve a supplementary estimate of £382k with any surplus to be returned to the Central Contingency. Consultation was underway on a proposed restructure of the Adult Education Service to reduce any future overspend, however further grant reductions from the Skills Funding Agency were expected for the 2016/17 and 2017/18 academic years.

In considering the report, the Chairman underlined the need to ensure that the level of recharges attributed to the Adult Education Service was reduced in line with any future restructure of the Adult Education Service. Another Member requested that information regarding the level of recharges to the Adult Education Service be included in future reports setting out the budget monitoring position for the Education Portfolio.

RESOLVED that:

- 1) The latest 2015/16 budget project for the Education Portfolio be noted; and,**
- 2) The Portfolio Holder for Education be recommended to:**
 - i) Endorse the 2015/16 budget projection for the Education Portfolio.**
 - ii) Request the Council's Executive approve a supplementary estimate of £382k from the Central Contingency relating to the projected overspend in the Adult Education Service for 2015/16.**

15 CAPITAL PROGRAMME MONITORING - 1ST QUARTER 2015/16

Report FSD15062

On 15th July 2015, the Council's Executive received the 1st quarterly capital

monitoring report for 2015/16 and agreed a revised Capital Programme for the five year period 2015/16 to 2018/19. The 2014/15 Capital Outturn had been reported to the Executive on 10th June 2015. The final capital outturn for Education Portfolio schemes was £13,428k compared to a revised budget of £12,669k approved by the Council's Executive on 11th February 2015, which was an overspend of £759k. The Basic Need Scheme, which was funded by the Department for Education, had an overspend of £1.6m against a budget of £5.7m due to acceleration in the programme of works. This was partly offset by underspends on other schemes, including Capital Maintenance and Building Schools for the Future and after allowing for minor adjustments, a total of £765k had been re-phased into 2015/16.

RESOLVED that the revised Capital Programme agreed by the Council's Executive on 15th July 2015 be recommended to the Portfolio Holder for Education for approval.

16 EXPENDITURE ON CONSULTANTS 2014/15 AND 2015/16

Report CSD15106D

On 3rd September 2015, the Executive and Resources PDS Committee received a report setting out details of expenditure across the Local Authority on consultants for the financial years 2014/15 and 2015/16 to date, covering both revenue and capital budgets, and requested that this information be referred to all other PDS Committees for Members' consideration.

In considering the expenditure on consultants within the Education Portfolio for the financial years 2014/15 and 2015/16 to date, the Portfolio Holder for Education noted that as the Local Authority moved towards becoming a commissioning authority, it was important to ensure that work be undertaken to identify the best way to purchase consultancy services where it was required and consider how value could most effectively be scrutinised.

A Member emphasised that the Local Authority prided itself on its high quality, experienced in-house staff and queried if the use of consultants was always necessary. The Director: Education confirmed that the use of consultants was limited to the delivery of specific pieces of work that required specialist knowledge or where there was no capacity to carry out the work through in-house staff. There had been no cases within the Education Portfolio where a previous staff member had been made redundant and subsequently re-employed as a consultant.

RESOLVED that the report be noted.

17 EDUCATION PORTFOLIO INFORMATION ITEMS

a) DEDICATED SCHOOLS GRANT REDUNDANCY RESERVE

Briefing ED15121

The Sub-Committee considered an information briefing providing an update on the status of the creation of a Dedicated Schools' Grant Redundancy

Reserve following the meeting of the Schools' Forum on 24th September 2015.

In considering Item 6: Education Portfolio Outturn Report 2014/15 at the meeting of the Education Budget Sub-Committee on 30th June 2015, Members had been advised that it was proposed for £300k of Dedicated Schools Grant to be set aside as a Redundancy Reserve to meet some of the costs that might arise as a result of any future reorganisation within Dedicated Schools Grant funded Education Services, with any unspent amount to be returned to the Schools' budget. This proposal had been considered at the meeting of Schools' Forum on 24th September 2015 where the legal position around the potential use of Dedicated Schools Grant had been clarified and it had been discussed at length. Whilst some Members of the Schools' Forum had been in support of the proposal, the final decision was that the proposal not be supported. Although many funding decisions were made by the Local Authority following consultation with the Schools' Forum and could be made without the support of Schools' Forum, in this case the regulations specifically required the approval of Schools' Forum and the decision could therefore not be taken forward at this time. This did not preclude the agreement of the charging of redundancy costs to Dedicated Schools Grant by the Schools' Forum on a case-by-case basis.

In considering the information briefing, the Portfolio Holder for Education underlined the need to work closely with the Schools' Forum to ensure a joined-up approach on matters relating to schools' funding into the future.

In response to a question from the Chairman, the Finance Manager confirmed that the use of the Dedicated Schools' Grant towards the funding of services such as special educational needs transport was limited, but that the regulations allowed Dedicated Schools Grant to be used to fund certain services, such as the cost of special educational needs transport where the Local Authority had reduced the cost of specialist education placements by building capacity in schools within the Borough. It was currently projected that there would be a £343k overspend in special educational needs transport for 2015/16, and following the introduction of the new framework agreement and route changes from September 2015, it was intended to report updated projections to the Council's Executive at its meeting on 2nd December 2015.

RESOLVED that the information briefing be noted.

b) CONTRACT MONITORING REPORT

Briefing ED15124

The Sub-Committee considered an information briefing providing an update on the status of all contracts with a whole life value of £200k and above within the Education Portfolio. It was noted that only a single contract had received more than one extension, and that this had been due to a change in the scope of the projects within the contract.

In considering the information briefing, the Chairman highlighted that the new Public Contracts Regulations 2015 had meant significant changes to tendering exercises undertaken within Education, Care and Health Services, and that Education, Care and Health Services were now covered by the 'Light Touch Regime' which might potentially realise future cost savings.

In response to a question from a Member, the Director: Education confirmed that the Education, Care and Health Services Procurement Team, which undertook specialist procurement of services such as social care, was separate to the main Procurement Team but worked closely with it and that there was no duplication of work.

RESOLVED that the information briefing be noted.

18 ANY OTHER BUSINESS

There was no other business.

19 DATE OF NEXT MEETING

The next meeting of Education Budget Sub-Committee would be held at 7.00pm on Tuesday 5th January 2016.

The Meeting ended at 7.35 pm

Chairman

This page is left intentionally blank

Matters Outstanding from Previous Meetings

Minute Number/Title	Decision	Update	Action	Completion Date
2nd October 2013				
10 Any Other Business	That a meeting of the Education Budget Sub-Committee be convened to consider the results of the market testing process for commissioning of Education Services.	Following consideration by the Education PDS Committee on 24 th November 2015 and the Council's Executive on 2 nd December 2015, the Council's Executive resolved to discontinue the market testing of education services on the basis of the tenders received.	Democratic Services	Completed

This page is left intentionally blank

Agenda Item 5

Report No.
FSD15072

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: EDUCATION BUDGET SUB-COMMITTEE

Date: 14th January 2016

Decision Type: Non-Urgent Executive Non-Key

Title: CAPITAL PROGRAMME MONITORING - 2ND QUARTER 2015/16

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

Chief Officer: Director of Finance

Ward: All

1. Reason for report

On 2nd December 2015, the Executive received the 2nd quarterly capital monitoring report for 2015/16 and agreed a revised Capital Programme for the four year period 2015/16 to 2018/19. 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. The revised programme for this portfolio is set out in Appendix A, and detailed comments on scheme progress as at the end of the first half of 2015/16 are shown in Appendix B.

2. **RECOMMENDATION(S)**

The Portfolio Holder is asked to note and confirm the changes agreed by the Executive in December.

Corporate Policy

1. Policy Status: Existing Policy: Capital Programme monitoring and review is part of the planning and review process for all services. Capital schemes help to maintain and improve the quality of life in the borough. Effective asset management planning (AMP) is a crucial corporate activity if a local authority is to achieve its corporate and service aims and objectives and deliver its services. The Council continuously reviews its property assets and service users are regularly asked to justify their continued use of the property. For each of our portfolios and service priorities, we review our main aims and outcomes through the AMP process and identify those that require the use of capital assets. Our primary concern is to ensure that capital investment provides value for money and matches the Council's overall priorities as set out in the Community Plan and in "Building a Better Bromley".
 2. BBB Priority: Excellent Council
-

Financial

1. Cost of proposal: Total increase of £0.8m over the 4 years 2015/16 to 2018/19.
 2. Ongoing costs: Not Applicable
 3. Budget head/performance centre: Capital Programme
 4. Total current budget for this head: £77.6m for the Education Portfolio over four years 2015/16 to 2018/19
 5. Source of funding: Capital grants, capital receipts and earmarked revenue contributions
-

Staff

1. Number of staff (current and additional): 1 fte
 2. If from existing staff resources, number of staff hours: 36 hours per week
-

Legal

1. Legal Requirement: Non-Statutory - Government Guidance
 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? N/A
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

Capital Monitoring – variations agreed by the Executive on 2nd December 2015

3.1 A revised Capital Programme was approved by the Executive in December, following a detailed monitoring exercise carried out after the 2nd quarter of 2015/16. The base position was the revised programme approved by the Executive on 15th July 2015, as amended by variations approved at subsequent Executive meetings. All changes on schemes in the Education Programme are itemised 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. Appendix B shows actual spend against budget in the first half of 2015/16, together with detailed comments on individual schemes.

	2015/16	2016/17	2017/18	2018/19	TOTAL 2015/16 to 2018/19
	£000	£000	£000	£000	£000
Programme approved by Executive 15/07/15	38,829	28,235	9,283	445	76,792
Beacon House (Executive 09/09/15)	241	0	0	0	241
Basic Need (Executive 09/09/15)	-241	0	0	0	-241
Approved Programme prior to Q2 Monitoring	38,829	28,235	9,283	445	76,792
<u>Variations approved by Executive 02/12/15</u>					
Phoenix Centre - reinstatement of scheme (see para 3.2)	200	0	0	0	200
Formula Devolved Capital Grant - reduction in funding (see para 3.3)	-34	-19	-19	-19	-91
Section 106 receipts from developers (see para. 3.4)	712	0	0	0	712
Schemes rephased from 2015/16 into 2016/17 (See para 3.5)	-5,158	5,158	0	0	0
Total Amendment to the Capital Programme	-4,280	5,139	-19	-19	821
Total Revised Education Programme	34,549	33,374	9,264	426	77,613

3.2 Phoenix Centre (£200k increase in 2015/16)

The Council has an outstanding liability to NHS Property Services of £200k arising from works carried out to the Phoenix Centre in 2006/07. On 10 April 2006, the Executive agreed a proposal to contribute £300k towards the cost of the extension of the Phoenix Centre, in return for additional space at the centre and favourable rental terms. The sum of £208k then remained in the Education Capital Programme until July 2014, when the residual balance was deleted following a review of all old dormant schemes. NHS Property Services has now asked for payment of this outstanding debt, before they can agree to the extension of our lease on the Phoenix Centre. In December 2015, the Executive approved the reinstatement of the Phoenix Centre Scheme back into the Capital Programme.

3.3 Formula Devolved Capital Grant (net reduction of £91k in the four years 2015/16 to 2018/19)

Confirmation has been received from Department for Education on the 2015/16 Formula Devolved Capital Grant (£266k). This is lower than anticipated due to the increasing number of Academy conversions as Academies receive separate devolved capital funding from the Education Funding Agency. The capital programme has been adjusted to reflect an overall reduction of £91k (£34k in 2015/16, £19k 2016/17, £19k in 2017/18 and £19k in 2018/19).

3.4 Section 106 receipts (uncommitted balance) (£712k increase in 2015/16)

In previous years, the Capital Programme budget for Section 106 receipts has been adjusted as and when new spending plans receive approval. In July 2015, the Executive agreed that the Capital Programme budget should, in future, agree with the total of S106 receipts available to fund expenditure. In December 2015 the Executive agreed an increase of £712k in the Capital Programme budget for Section 106 to match the total funding available (from a total approved budget of £2,047k in the July Executive report to £2,759k in the December Executive report). The approved S106 budgets for the Education Capital Programme (after rephasing) are illustrated in the table below.

	Total Approved S106 Budget £000	Actuals upto FY14/15 £000	Budget FY15/16 £000	Budget FY16/17 £000
Basic Need	706	456	250	0
Uncommitted balance (as at Oct 2015)	2,053	0	0	2,053
Education Total	2,759	456	250	2,053

3.5 Schemes re-phased from 2015/16 into 2016/17

As part of the 2nd quarterly monitoring exercise, £5.2m has been re-phased from 2015/16 into 2016/17 to reflect revised estimates of when expenditure on Education schemes is likely to be incurred. This has no overall impact on the programme. Further details and comments are provided in Appendix B.

Capital Expenditure – Re-phasing in Q2 monitoring	2015/16 £000	2016/17 £000
Beacon House Refurbishment	-900	900
Early Education for Two Year Olds	-755	755
Glebe School expansion	-1,450	1,450
S106 – Education	-2,053	2,053
Total Education Programme re-phasing	-5,158	5,158

Post-Completion Reports

3.6 Under approved Capital Programme procedures, capital schemes should be subject to a post-completion review within one year of completion. After major slippage of expenditure in recent years, 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. No post-completion reports are currently due for the Education Portfolio, but this quarterly report will monitor the future position and will highlight any further reports required.

4. POLICY IMPLICATIONS

4.1 Capital Programme monitoring and review is part of the planning and review process for all services.

5. FINANCIAL IMPLICATIONS

5.1 These were reported in full to the Executive on 2nd December 2015. 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)	Approved Capital Programme (Executive 15/07/15). Capital Q2 monitoring report (Executive 02/12/15).

This page is left intentionally blank

Appendix A

EDUCATION PORTFOLIO - APPROVED CAPITAL PROGRAMME 02 DECEMBER 2015									
Code	Capital Scheme/Project	Total Approved Estimate	Actual to 31.3.15	Estimate 2015/16	Estimate 2016/17	Estimate 2017/18	Estimate 2018/19	Responsible Officer	Remarks
		£'000's	£'000's	£'000's	£'000's	£'000's	£'000's		
	SECONDARY SCHOOLS								
907558	Langley Park Boys School - BSF (Building Schools for the future) 2.3b	38,738	38,181	557	0	0	0	Rob Bollen	BSF One School Pathfinder; government grant £35,800k; LBB contribution £2,006k re: enhanced performance space; £316k t/f from Secondary Investment Strategy. Further £400k from DSG.
	TOTAL SECONDARY SCHOOLS	38,738	38,181	557	0	0	0		
	PRIMARY SCHOOLS								
907564	Primary Capital Programme 2.7							Rob Bollen	DCSF capital grant; £800k allocated to Riverside ASD scheme
907564	Bickley Primary - expansion	1,463	1,463	0	0	0	0	Rob Bollen	£1,395k Primary Capital Programme (PCP) grant; £24k from Access initiative; £50k from extended services; £6k t/f to Highway
907564	Princes Plain Primary - expansion	1,270	1,270	0	0	0	0	Rob Bollen	£1,114k PCP, £250k S106' £94k t/f to Highway
907564	The Highway Primary - partial rebuild	5,418	5,300	118	0	0	0	Rob Bollen	£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, £94k from Princes Plain; £434k from other PCP schemes.
907564	Other schemes funded by Primary Capital Programme grant	3,186	3,186	0	0	0	0	Rob Bollen	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; £428k t/f to Highway
	TOTAL PRIMARY SCHOOLS	11,337	11,219	118	0	0	0		
	SPECIAL SCHOOLS								
907976	Glebe School expansion	4,880	312	3,018	1,550	0	0	Rob Bollen	Approved by Full Council 14/04/14
	TOTAL SPECIAL SCHOOLS	9,947	5,379	3,018	1,550	0	0		
	OTHER EDUCATION SCHEMES								
906691	Formula Devolved Capital 2.1a	5,784	4,720	266	266	266	266	Mandy Russell	100% government grant
906695	Seed Challenge Fund	2,364	1,754	410	200	0	0	Rob Bollen	£300k "suitability" funding in 2011/12; £11k for Farnborough scheme
911XXX	Schools Access Initiative	1,840	862	428	250	150	150	Rob Bollen	DDA requirement; £150k p.a from schools' revenue budget; £24k to Bickley PCP
906718	Security Works	1,120	786	334	0	0	0	Rob Bollen	
907549	Children and Family Centres	6,662	6,626	36	0	0	0	Rob Bollen	100% DFES grant; £500k for Highway scheme, £750k for Hawes Down Co-location, grant cut by £802k; £297k revenue cont c/f from 12/13
906725	Suitability / Modernisation issues in schools - general 2.2	1,322	784	538	0	0	0	Rob Bollen	Now funded by 11/12 capital maintenance settlement; £46k from suitability surveys; £350k to Farnborough Primary
906726	Capital maintenance in schools - 2011/12 settlement	9,819	7,971	1,848	0	0	0	Rob Bollen	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
907974	Basic Need - 2011/12 settlement	71,669	11,697	24,759	26,375	8,838	0	Rob Bollen	100% government grant
907977	Universal free school meals	387	97	275	15	0	0	Rob Bollen	100% government grant
907975	Early Education for Two Year Olds	894	39	100	755	0	0	Julia Waldmen	100% government grant. Further additions to the £558k in the Early Education for Two Year Olds scheme; £150k contribution from revenue (DSG), and £186k for the London Childcare Grant (Approved in Executive 26/11/14)
907979	Beacon House Refurbishment	3,577	28	1,649	1,900	0	0	Rob Bollen	£3m funded from DSG and £0.577m funded from Basic Need (Executive 09/09/15)
907980	Feasibility Studies	40	0	10	10	10	10	Rob Bollen	
	OTHER SCHEMES								
907556	Phoenix Pre-School SEN service - Council contribution	292	92	200	0	0	0	Rob Bollen	Approved by Executive 02/12/15 (scheme reinstated)
907548	Youth centres - Capital improvements	72	69	3	0	0	0	Linda King	Youth Capital Fund grant £72k
951000	S106 - Education (unallocated)	2,053	0	0	2,053	0	0	Rob Bollen	S106 Capital Receipts
	TOTAL OTHER EDUCATION SCHEMES	107,895	35,525	30,856	31,824	9,264	426		
	TOTAL EDUCATION PORTFOLIO	167,917	90,304	34,549	33,374	9,264	426		

Appendix B

EDUCATION PORTFOLIO - APPROVED CAPITAL PROGRAMME 02 DECEMBER 2015					
Code	Capital Scheme/Project	Approved Estimate Jul 2015	Actual to 23.11.15	Revised Estimate Dec 2015	Remarks
		£'000's	£'000's	£'000's	
SECONDARY SCHOOLS					
907558	Langley Park Boys School - BSF (Building Schools for the future) 2.3b	557	16	557	Awaiting final completion of works and final account being agreed with contractor. This has been delayed due to weather condition. The final settlement has been agreed. Final payment and retention will be release soon. Other minor outstanding costs includes consultancy cost.
	TOTAL SECONDARY SCHOOLS	557	16	557	
PRIMARY SCHOOLS					
907564	Primary Capital Programme 2.7				
907564	Bickley Primary - expansion	0	0	0	Scheme completed. Awaiting outstanding final payment for consultancy cost, and other legal issues. Once all outstanding invoices are paid, any funding that may remain can be returned to Basic Need as allocations were made from this funding source to underpin this scheme. We estimated that all outstanding invoice should be paid by FY15/16
907564	Princes Plain Primary - expansion	0	0	0	
907564	The Highway Primary - partial rebuild	118	0	118	
907564	Other schemes funded by Primary Capital Programme grant	0	0	0	
	TOTAL PRIMARY SCHOOLS	118	0	118	
SPECIAL SCHOOLS					
907976	Glebe School expansion	4,468	672	3,018	Contracts have recently been awarded. however there are some major delays and the completion date has been deferred to June 2016. Rephased £1.45m into FY16/17.
	TOTAL SPECIAL SCHOOLS	4,468	672	3,018	
OTHER EDUCATION SCHEMES					
906691	Formula Devolved Capital 2.1a	300	236	266	In and out to Schools. £34k reduction in government funding due to further academy conversions
906695	Seed Challenge Fund	410	-12	410	We estimated that £410k of work will be completed by FY15/16 of which majority of the works are completed in the summer and we are expecting the school to bill us soon.
911XXX	Schools Access Initiative	428	55	428	We are looking at expanding number of places of hygiene room in schools. Works at Charles Darwin, Valley schools and Unicorn school have completed recently. Works at Tubbenden are in process. We estimated that the works will be completed in FY15/16
906718	Security Works	334	102	334	Ad hoc security works for schools. Works on Kingswood and Poverest are near completion. We estimated that the works will be completed in FY15/16, which includes an £110k outstanding invoices from School on works completed in FY14/15.
907549	Children and Family Centres	36	-24	36	Works are managed by Operational Property (including works at Blenheim C&FC). We anticipate that the works will be completed in FY15/16.
906725	Suitability / Modernisation issues in schools - general 2.2	538	103	538	Funding will be used for works at Bromley Road Primary to support reorganisation from Infant to Primary school. It will also part fund various works at Burwood School. The H&S remedial works on Burwood have completed. We expect all monies to be spent in this financial year and are pending final invoices on kitchen and emergency lighting works.
906726	Capital maintenance in schools - 2011/12 settlement	1,848	987	1,848	Approx. £1,392k are managed by Operational Property, this includes boiler and heating at Churchfields, Downe, James Dixon, Mead Road Infant, and Poverest Primary, and electrical testing. We anticipate all of the works to be completed in this financial year. In addition, we expect works on Kitchen Shutter Project at Bromley School to be completed in this financial year.
907974	Basic Need - 2011/12 settlement	25,000	17,784	24,759	Additional £241k budget has been re-allocated to Beacon House as approved by Executive 09/09/15. We have already committed £23m works that are expected to be completed by FY15/16. Many projects are completed in the Summer which included Clare House, Parish CE, Harris Crystal Palace, St Paul's Cray, Worsley Bridge and Bromley Road. Works at Unicorn school are expected to be completed in Feb 16. A full detailed report on the various projects within the Basic Need Programme was reported in July to Ed PDS. There are small projected overspends on the projects at Churchfields (£45k) and Bromley Road (£119k) that have been reported to the November Ed PDS and are contained within the programme contingency.
907977	Universal free school meals	275	91	275	We anticipate £275k of works to be completed in FY15/16.
907975	Early Education for Two Year Olds	855	98	100	Works required at James Dixon, Poverest, and Leasons School, Blenheim Nursery and Community Vision nursery. Some upward adjustment to Poverest spend expected. Project group now implementing a spending plan. It is unlikely that all works will be completed in FY15/16, and rephased £755k into FY16/17. Further repasing may be required in Qtr. 3 monitoring as spend details have taken longer to establish.
907979	Beacon House Refurbishment	2,308	381	1,649	Details of expenditure and funding was reported to Executive on 09/09/15. The budget in the capital programme has been adjusted (increase of £241k) to reflect the revised funding - £3m of unspent DSG and £0.577m from Basic Need. Tender is in process and we expect to establish the schedule of payment with the contractor by Qtr 3. Rephased £900k in FY16/17.
907000	Feasibility Studies	10	0	10	Block capital - We do not expect to use the money this year on feasibility studies
OTHER SCHEMES					
907556	Phoenix Pre-School SEN service - Council contribution	0	0	200	Scheme reinstated as approved by Executive 02/12/15. Council has an outstanding liability to NHS Property Services of £200k arising from works carried out to the Phoenix Centre. NHS Property Services has requested payment of this outstanding debt, before they can agree to the extension of our lease on the Phoenix Centre
907548	Youth centres - Capital improvements	3	0	3	Likely to complete this year.
951000	S106 - Education (unallocated)	1,341	0	0	Additional funding of £712k as approved by Executive 02/12/15 to match the total S106 receipts. We do not expect the funding to be allocated and works to be completed in FY15/16. Rephased the balance into FY16/17.
	TOTAL OTHER EDUCATION SCHEMES	33,686	19,801	30,856	
	TOTAL EDUCATION PORTFOLIO	38,829	20,489	34,549	

Report No.
ED16011

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: EDUCATION BUDGET SUB-COMMITTEE

Date: Thursday 14 January 2016

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

Title: EDUCATION PORTFOLIO BUDGET 2016/17

Contact Officer: James Mullender, Finance Manager
Tel: 020 8313 4292 E-mail: James.Mullender@bromley.gov.uk

Chief Officer: Jane Bailey, Director of Education

Ward: Boroughwide

1. Reason for report

- 1.1 The prime purpose of this report is to consider the Portfolio Holder's Draft 2016/17 Budget which incorporates future cost pressures which are being reported to Executive on 13th January 2016. Members are requested to consider the initial draft budget and also identify any further action that might be taken to reduce cost pressures facing the Council over the next four years.
- 1.2 Executive are requesting that each PDS Committee consider the proposed initial draft budget savings and cost pressures for their Portfolio and the views of each PDS Committee be reported back to the next meeting of the Executive, prior to the Executive making recommendations to Council on 2016/17 Council Tax levels.
- 1.3 There are still outstanding issues and areas of uncertainty remaining. Any further updates will be included in the 2016/17 Council Tax report to the next meeting of the Executive.
-

2. **RECOMMENDATION(S)**

The Education Budget Sub-Committee is requested to:

- (a) Consider the update on the financial forecast for 2017/18 to 2019/20;
- (b) Consider the initial draft 2016/17 Budget as a basis for setting the 2016/17 Budget;
- (c) Provide comments on the initial draft 2016/17 Budget for the February meeting of the Executive.

Corporate Policy

1. Policy Status: Existing Policy
 2. BBB Priority: Children and Young People, Excellent Council
-

Financial

1. Cost of proposal: Not Applicable
 2. Ongoing costs: Not Applicable
 3. Budget head/performance centre: Education Portfolio Budgets
 4. Total current budget for this head: £13,789k
 5. Source of funding: Draft Revenue Budget 2016/17
-

Staff

1. Number of staff (current and additional): Full details will be available with the Council's 2016/17 Financial Control Budget published in March 2016
 2. If from existing staff resources, number of staff hours: Not Applicable
-

Legal

1. Legal Requirement: Statutory Requirement:

The statutory duties relating to financial reporting are covered within the Local Government Act 1972; the Local Government Finance Act 1998; the Accounts and Audit Regulations 1996; the Local Government Act 2000; and the Local Government Act 2002.

2. Call-in: Not Applicable
-

Customer Impact

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

The 2016/17 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. Approach to Budgeting, Financial Context and Economic Situation which can impact on public finances

- 3.1.1. Forward financial planning and financial management is a key strength at Bromley and this has been recognised previously by our external auditors. This report continues to forecast the financial prospects for the next 4 years and includes the Government's provisional four year funding allocations. At the time of writing this report, further details on funding is awaited and it is important to note that some caution is required in considering any projections for 2017/18 to 2019/20.
- 3.1.2. The overall national debt stands at £1.6 trillion. The 2015 Spending Review and Autumn Statement identified that public sector net borrowing is expected to be £73.5bn this year which is planned to move to a surplus of £10.1bn from 2019/20. There remains positive news on the economy and since 2010, no G7 economy has growth faster than Britain. However, the fiscal squeeze will continue and with ongoing protection of health, overseas aid, education and recently police and other security services, the disproportionate cuts in direct funding to local government will continue over the four year spending review period. The most significant issue that will impact on local government funding from central government are the plans relating to DCLG Resource Departmental Expenditure Limits (RDEL). The reductions compared with the previous year are -16.5% in 2016/17, -22.9% in 2017/18, -17.6% in 2018/19, -11.5% in 2019/20. This results in a real reduction including the impact of inflation of 56%. This translates to a reduction in the Council's Settlement Funding Assessment of 48.5% by 2019/20 compared with the England average of 31.8%. In real terms the reduction equates to 52.2%.
- 3.1.3. Although there are significant funding cuts facing local government, the Chancellor repeated the aims of devolution, as part of the 2015 Spending Review and Autumn Statement, which includes transforming 'local government, enabling it to be self-sufficient by the end of Parliament'. The Government views the new flexibilities such as the future growth forecasts from business rates, to be fully devolved to local government by 2019/20, scope to raise a 2% rise in council tax (adult social care precept) and the ongoing ability to increase council tax as methods which can significantly mitigate against the impact of grant reductions.
- 3.1.4. The Budget Strategy has to be set within the context of a reducing resource base, with Government funding reductions continuing until 2020 – the on-going need to reduce the size and shape of the organisation to secure priority outcomes within the resources available. There is also a need to build in flexibility in identifying options to bridge the budget gap as the gap could increase further. The overall updated strategy has to be set in the context of the national state of public finances, with austerity continuing given the level of public sector debt, and the high expectation from Government that services should be reformed and redesigned with devolution contributing to the transformation of local government. There is also an on-going need to consider "front loading" savings to ensure difficult decisions are taken early in the budgetary cycle, to provide some investment in specific priorities, to fund transformation and to support invest to save opportunities which provide a more sustainable financial position in the longer term. Any decisions will need to consider the finalisation of the 2016/17 Budget as well as the longer time frame where it is now clear that the continuation of the period of austerity up to 2020 remains.
- 3.1.5. Bromley has the lowest settlement funding per head of population in the whole of London. Despite this, Bromley has retained the lowest council tax in outer London (other low grant funded authorities tend to have higher council tax levels). This has been achieved by having the lowest cost per head of population in outer London. Despite being a low cost authority, Bromley has achieved general savings of over £60m since 2011/12 but it becomes more challenging to achieve further savings with a low cost base.

3.1.6. One of the key issues in future year budgets will be the balance between spending, Council Tax levels, charges and service reductions in an organisation starting from a low spending base. It is important to recognise that a lower cost base reduces the scope to identify efficiency savings compared with a higher cost organisation. Any decisions will need to take into account the longer term impact on the Council's financial position – financial sustainability will be key in order to protect key services to Bromley residents.

3.2. Changes that could impact on longer term financial projections

3.2.1. The 2015/16 Council Tax report reported to Executive in February 2015 identified a significant “budget gap” over the four year financial planning period. The forecast was updated to inform the public meetings held in November/December 2015. Some key changes are summarised below:

3.2.2. Following a newly elected national government, the Chancellor's Summer Budget 2015 introduced a new national Living Wage with significant cost implications to the Council over the next few years.

3.2.3. The most recent financial monitoring position was reported to Executive on 2nd December 2015. The full year impact of savings in social care, changes in grant funding for Adult Education and the impact of in-year Public Health funding reductions, and other variations, including, for example, the future containment of costs within Portfolio Budgets have been reflected in the draft 2016/17 Budget. Directors continue to identify options to manage these other cost pressures.

3.2.4. The Council's four year funding settlement, based on information to date, will result in a net loss of grant funding, including Public Health funding, of £14.6m per annum in 2016/17 rising to £32.4m per annum by 2019/20. This includes an estimated loss of funding of £0.5m per annum for various grant allocations not yet announced and an estimate of the impact of Public Health funding reductions.

3.2.5. Given the scale of savings identified and any inherent risks, the need for longer term financial planning, the significant changes that may follow with a new Government relating to new burdens (there were many changes introduced by the previous coalition Government that resulted in net additional costs for the Council), effect of ongoing population increases and the potential impact of other public agencies identifying savings which impact on the Council's costs, a prudent approach has been adopted in considering the Central Contingency Sum required to mitigate against these risks. If the monies are not required during the year the policy of using these resources, in general, for investment to generate income/savings and provide a more sustainable financial position should continue. To illustrate the benefit of the investment approach the Council has budgeted income totalling £12.9m from a combination of treasury management income and rents from investment properties. Without this income, equivalent service reductions may be required. Investment in economic growth (Growth Fund) will also be key to generate additional business rate income.

3.2.6. After allowing for the saving proposals in the Council's Draft 2016/17 Budget report to Executive on 13th January 2016, there remains a significant budget gap in future years that will need to be addressed.

3.3. Latest Financial Forecast

3.3.1. The report to Executive in January 2016 identified a budget gap rising to over £26m per annum by 2019/20 as shown in the table below. The budget gap from 2017/18 rises steeply as the expected loss in Government funding is expected to increase sharply during that period.

Variations Compared with 2015/16 Budget

	2016/17	2017/18	2018/19	2019/20
	£m	£m	£m	£m
Cost Pressures				
Inflation	2.6	7.3	11.9	16.6
Grant Loss	14.6	24.7	30.6	36.4
Impact of Chancellors Summer Budget on future costs e.g. further changes on welfare reform, new Living Wage etc.	4.3	8.0	10.8	13.5
Real Changes detailed in Appendix 5 (Executive report)	0.9	2.6	5.0	6.2
Total Additional Costs	22.4	42.6	58.3	72.7
Income/ savings				
Saving proposals detailed in Appendix 6 (Executive report)	-15.1	-18.2	-19.1	-19.2
Full year effect of savings agreed as part of 2015/16 Budget	-2.9	-2.9	-2.9	-2.9
Acquisition of residential properties to accommodate homeless families and “gifting” of scheme to pension fund	-0.5	-3.2	-4.1	-4.6
Reduction in Council’s Central Contingency Sum	-1.8	-1.8	-1.8	-1.8
Impact of revised Treasury Management Strategy	-0.6	-0.6	-0.6	-0.6
Addt. Income from Business Rate Share	-0.2	-0.2	-0.2	-0.2
Increase in property numbers (council tax base)	-0.7	-0.7	-0.7	-0.7
Total income/ savings	-21.8	-27.6	-29.4	-30.0
Other Proposed Changes				
New Homes Bonus	-7.3	-7.3	-3.3	-2.5
New Homes Bonus – contribution to Investment Fund	7.3	7.3	3.3	2.5
Collection Fund Surplus (2014/15)	-4.9	0.0	0.0	0.0
Collection fund surplus set aside as one off support towards meeting funding shortfall in 2018/19	4.9	0.0	-4.9	0.0
Fall out of 2013/14 collection fund surplus to support 2015/16 Budget	5.3	5.3	5.3	5.3
	5.3	5.3	0.4	5.3
Impact of 3.99% increase in Council tax (Including adult social care precept)	-5.2	-10.5	-15.9	-21.3
Remaining “Budget Gap”	0.7	9.8	13.4	26.7

3.3.2. The above table shows, for illustrative purposes the impact of a council tax increase of 3.99% in 2016/17 (including adult social care precept). Each 1% council tax increase generates on-going annual income of £1.3m.

3.3.3. The Council has to continue to plan for a very different future, i.e. several years of strong financial restraint. It is important to recognise that, given the current ongoing period of austerity, the downside risks remain significant and that the budget gap in future years could widen substantially.

3.4. Education Portfolio Growth Pressures & Real Changes

3.4.1. No additional growth pressures have been identified at this stage in Education Portfolio. However, additional allocations have been made in the budget relating to the full year effect of the supplementary estimate for Adult Education (£382k), the reduction in Education Services Grant (£400k), and the increase in National Insurance contributions (£119k).

- 3.4.2. There are also savings for the 2016/17 budget that were identified as part of the 2015/16 budget process; Bromley Youth Music Trust (£76k) and Early Years (£30k).
- 3.4.3. Details of all the variations from the 2015/16 budget are included in Appendices 2 and 3, along with the Draft Budget Summary in Appendix 1, and the Subjective Summary in Appendix 4.
- 3.4.4. The Spending Review and Autumn Statement included the following changes that will impact on the Education budget in future years:
- Schools funding will be protected in real terms over the spending review period;
 - The Government plan to make savings of around £600m from Education Services Grant and supporting schools to realise efficiencies – effectively this will be a cut in Education Services Grant;
 - A new national funding formula will be introduced from 2017/18;
 - Funding for core adult skills will be cash protected;
 - £23bn of capital investment for schools;
 - Funding for universal free school meals will continue.

3.5. The Schools Budget

- 3.5.1. Since 2003/04, the Council has received funding for the 'Schools Budget' element of Education services through a ring fenced grant, more recently through the Dedicated Schools Grant (DSG).
- 3.5.2. As a precursor to the introduction of the National Funding Formula which will be implemented for 2017/18, as announced in the Chancellor's spending review statement, DfE made changes to the DSG funding allocations for 2015/16 as part of the Fairer Funding Reforms. As a result, Bromley received an additional £19.5m schools block funding reflecting the low levels of funding in previous years.
- 3.5.3. The per-pupil funding for 2016/17 has been maintained at the same level, and an additional £562k has been allocated to the high needs block, resulting in a current projected allocation of £251.4m for 2016/17. Of this amount, £165.9m is recouped by the EFA to fund academies directly so the Council will receive £85.5m to fund the remaining maintained schools, early years funding, SEN support and placements, and other central services.
- 3.5.4. The DSG continues to be ring-fenced for funding the provision of Education, with no material changes to the conditions of use. As a result, the vast majority of this has to be passed directly to maintained schools and academies, and means that there continues to be minimal scope to redirect DSG budget to other services.
- 3.5.5. In previous years the Portfolio Holder has agreed a package of funding to set the Schools budget following consultation with Schools Forum, Headteachers and Governors. The Executive is asked to agree that this process should take place again for 2016/17 at its meeting on 13th January 2016.
- 3.5.6. The initial allocation of DSG is considered in the Dedicated Schools Grant 2016/17 report elsewhere on the agenda, and it is anticipated that a decision on the final allocation will be requested at the Education PDS Committee meeting on 19th January 2016.

3.6. Comments from the Director of Education

- 3.6.1. The education department continues to deliver effective services at a time when the landscape is an evolving one and presenting considerable financial challenge.

3.6.2. The SEND reforms have brought additional funding to support change but the extension of education, health and care plans through to age 25 has yet to work its way through the system and it is anticipated that this will have associated additional financial burdens for both the DSG high needs block and RSG in the case of SEN transport.

3.6.3. The funding for the education capital programme remains uncertain and there is concern that the increased pressure to create bulge classes will create further DSG pressures.

3.6.4. In terms of Adult Education the proposed restructure, if agreed, will move the service closer to meeting its costs but we must be mindful of possible future further reductions to grant funding.

4. POLICY IMPLICATIONS

4.1. The Council’s key priorities are included within the Council’s “Building a Better Bromley” statement and include:

- An Excellent Council
- A Quality Environment
- Regeneration
- Vibrant Thriving Town Centres
- Supporting our Children and Young People
- Supporting Independence
- Safe Bromley
- Healthy Bromley

4.2. “The “Building a Better Bromley” objective of being an Excellent Council refers to the Council’s intention to provide efficient services and to have a financial strategy that focuses on stewardship and sustainability. Delivering Value for Money is one of the Corporate Operating Principles supporting Building a Better Bromley.

5. FINANCIAL IMPLICATIONS

5.1. The financial implications are contained within the overall report.

6. LEGAL IMPLICATIONS

6.1. The Local Authorities (Standing Orders)(England) Regulations 2001 deal, amongst other things, with the process of approving the budget. Under these provisions and the constitution, the adoption of the budget and the setting of the council tax are matters reserved for the Council upon recommendation from the Executive. Sections 73-79 of the Localism Act 2011 has amended the calculations billing and precepting authorities need to make in determining the basic amount of Council tax. The changes include new sections 31 A and 31 B to the Local Government Finance Act 1992 which has modified the way in which a billing authority calculates its budget requirement and basic amount of Council Tax.

7. PERSONNEL IMPLICATIONS

7.1. Staff, departmental and trade union representatives will be consulted individually and collectively on any adverse staffing implications arising from the budget options. Managers have also been asked to encourage and facilitate staff involvement in budget and service planning.

Background Documents: (Access via Contact Officer)	Draft 2016/17 Budget and Update on Council’s Financial Strategy 2017/18 to 2019/20, Executive, 13 th January 2016; Council Tax Support/Reduction 2016/17, Executive, 2nd December 2015;
--	---

	<p>Budget Monitoring 2015/16, Executive, 2nd December 2015; Provisional Final Accounts 2014/15, Executive, 10th June 2015; 2015/16 Council Tax, Executive 11th February 2015; Draft 2015/16 Budget and Update on Council's Financial Strategy 2016/17 to 2018/19, Executive, 14th January 2015.</p>
--	---

EDUCATION PORTFOLIO**DRAFT REVENUE BUDGET 2016/17 - SUMMARY**

2014/15 Actual	Service Area	2015/16 Budget	Increased costs	Other Changes	2016/17 Draft Budget
£		£	£	£	£
	Education Division				
Cr 355,025	Adult Education Centres	Cr 601,430	0	399,540	Cr 201,890
202,474	Alternative Education and Welfare Service	264,090	520	Cr 17,270	247,340
276,218	Schools & Early Years Commissioning and QA	396,190	260	Cr 28,410	368,040
4,632,826	SEN and Inclusion	4,833,170	18,120	24,020	4,875,310
217,991	Strategic Place Planning	216,120	320	Cr 13,430	203,010
36,126	Workforce Development & Governor Services	3,760	80	1,580	5,420
Cr 2,418,937	Education Services Grant	Cr 2,128,000	0	400,000	Cr 1,728,000
Cr 1,494,315	Schools Budgets	Cr 1,501,360	0	36,830	Cr 1,464,530
139,203	Other Strategic Functions	132,710	Cr 10	24,110	156,810
0	Early Years	0	0	0	0
0	Primary Schools	0	1,400	Cr 1,400	0
0	Secondary Schools	0	0	0	0
0	Special Schools & Alternative Provision	Cr 8,300	0	8,300	0
1,236,561		1,606,950	20,690	833,870	2,461,510
	Childrens Social Care				
2,315,334	Bromley Youth Support Programme	1,473,330	1,070	Cr 58,550	1,415,850
2,302,507	Early Intervention Services	2,043,950	1,860	23,610	2,069,420
4,617,841		3,517,280	2,930	Cr 34,940	3,485,270
5,854,402		5,124,230	23,620	798,930	5,946,780
11,877,522	TOTAL NON CONTROLLABLE	9,277,780	830	Cr 5,081,340	4,197,270
3,609,759	TOTAL EXCLUDED RECHARGES	3,987,300	0	Cr 342,310	3,644,990
21,341,683	PORTFOLIO TOTAL	18,389,310	24,450	Cr 4,624,720	13,789,040

EDUCATION PORTFOLIO**SUMMARY OF BUDGET VARIATIONS 2016/17**

Ref		VARIATION IN 2016/17 £'000	ORIGINAL BUDGET 2015/16 £'000
1	2015/16 BUDGET	18,389	
2	Increased Costs	24	
	Full Year Effect of Allocation of Central Contingency		
3	Adult Education	382	
	Real Changes		
	<i>Savings identified for 2016/17 as part of the 2015/16 Budget process</i>		
4	Bromley Youth Music Trust	Cr 76	76
5	Reorganisation of Early Years	Cr 30	296
6	Organisational efficiencies and management costs restructure	<u>4</u> Cr 102	
	<i>Other Real Changes:</i>		
7	Education Services Grant	400	
8	Increase in National Insurance contributions	<u>119</u>	519
9	Variations in Capital Charges	Cr 5,099	
10	Variations in Recharges	Cr 341	
11	Variations in Building Maintenance	Cr 6	
12	Variations in Insurances	23	
13	2016/17 DRAFT BUDGET	<u>13,789</u>	

EDUCATION PORTFOLIO

Notes on Budget Variations in 2016/17

Ref Comments

Full Year Effect of Allocation of Central Contingency

- 3 Adult Education (Dr £382k)
A supplementary estimate was approved in December 2015 relating to the significant reduction in Skill Funding Agency funding over the past few years whilst officers are consulting on another restructure of the service.

Real Changes

- 4 Bromley Youth Music Trust (Cr £76k)
As part of the 2015/16 budget, a £230k saving was agreed relating to BYMT, with the funding to cease entirely for 2016/17, resulting in a further saving of £76k.
- 5 Reorganisation of Early Years (Cr £30k)
This relates to the full year effect of the reorganisation of the service during 2015/16, which included charging an additional element to DSG.
- 6 Organisational efficiencies and management costs restructure (Dr £4k)
Revised ECHS department senior management arrangements have been put in place and this is the effect on the Education Portfolio.
- 7 Education Services Grant (Dr £400k)
This relates to the reduction in ESG income due to academy conversions during 2015/16.
- 8 Increase in National Insurance contributions (Dr £119k)
With effect from 6th April 2016, contracted out rates for Defined Benefit pension schemes have been abolished. The cost of this for Portfolio is £119k
- 9 Variations in Capital Charges (Cr £5,099k)
The variation on capital charges, etc is due to a combination of the following:
(i) Depreciation – the impact of revaluations or asset disposals in 2014/15 (after the 2015/16 budget was agreed) and in the first half of 2015/16;
(ii) Revenue Expenditure Funded by Capital Under Statute (REFCUS) – mainly due to variations in the value of schemes in our 2016/17 Capital Programme that do not add value to the Council's fixed asset base.
(iii) Government Grants – mainly due to variations in credits for capital grants receivable in respect of 2016/17 Capital Programme schemes, which are used to finance expenditure that is treated as REFCUS.
These charges are required to be made to service revenue accounts, but an adjustment is made below the line to avoid a charge on Council Tax.

- 10 Variations in Recharges (Cr £341k)
Variations in recharges are offset by corresponding variations elsewhere and have no impact on the overall position.
- 11/12 Variations in Building Maintenance and Insurances (Dr £17k)
The variation in building maintenance relates to the realignment of repairs and maintenance budgets to reflect business priorities. There are corresponding adjustments in other portfolios and these net out to zero in total.
- Insurance recharges to individual portfolios have changed between years, in some cases significantly, partly because an extra year of claims experience has been factored in since the 2015/16 budget was finalised and partly because of increased General Fund charges as a result of further academy conversions (academies are not permitted to be covered by the Council and conversions lead to costs having to be spread across fewer services/establishments). In addition, Insurance Premium Tax was increased from 6% to 9.5% in November 2015 and the full-year effect of this will be felt in 2016/17. All of the Council's insurance premium contracts are currently either being retendered or are being renegotiated and the current difficult market conditions mean that there may be significant premium increases, which could have a further impact on the 2016/17 budget figures.

EDUCATION PORTFOLIO
DRAFT REVENUE BUDGET 2016/17 - SUBJECTIVE SUMMARY

Service area	Employees	Premises	Transport	Supplies and Services	Third Party Payments	Transfer Payments	Income	Controllable Recharges	Capital Charges/ Financing	Total Controllable	Capital Charges/ Financing	Repairs, Maintenance & Insurance	Property Rental Income	Not Directly Controllable	Recharges In	Total Cost of Service	Recharges Out	Total Net Budget
	£	£	£	£	£	£	£			£	£				£	£	£	£
Education Division																		
Adult Education Centres	2,175,690	280,990	3,090	297,780	0	0	Cr 2,962,740	3,300	0	Cr 201,890	506,000	56,070	0	562,070	665,230	1,025,410	Cr 2,970	1,022,440
Alternative Education and Welfare Service	389,650	0	20,590	288,460	146,390	0	Cr 113,130	Cr 484,620	0	247,340	0	600	0	600	157,700	405,640	Cr 405,640	0
Schools & Early Years Commissioning and QA	1,467,300	63,430	20,090	423,380	15,195,530	0	Cr 527,780	Cr 16,273,910	0	368,040	0	24,120	0	24,120	519,990	912,150	Cr 912,150	0
SEN and Inclusion	5,560,760	225,890	4,035,840	256,240	16,071,140	0	21,080	Cr 21,295,640	0	4,875,310	2,000	3,440	0	5,440	1,556,950	6,437,700	Cr 6,437,700	0
Strategic Place Planning	520,800	0	65,100	54,590	0	0	Cr 10,000	Cr 427,480	0	203,010	0	1,230	0	1,230	167,820	372,060	Cr 372,060	0
Workforce Development & Governor Services	82,390	0	610	45,940	23,810	0	Cr 78,950	Cr 68,380	0	5,420	0	30,130	0	30,130	37,400	72,950	Cr 72,950	0
Education Services Grant	0	0	0	0	0	0	Cr 1,728,000	0	0	Cr 1,728,000	0	0	0	0	0	Cr 1,728,000	0	Cr 1,728,000
Schools Budgets	0	0	0	0	0	0	Cr 90,474,670	89,010,140	0	Cr 1,464,530	0	0	0	0	1,383,110	Cr 81,420	0	Cr 81,420
Other Strategic Functions	136,880	0	740	19,190	0	0	0	0	0	156,810	0	600	0	600	6,299,210	6,456,620	Cr 180,630	6,275,990
Early Years	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,101,240	1,101,240	Cr 434,020	667,220
Primary Schools	106,950	0	0	33,359,850	0	0	44,840	Cr 33,595,150	83,510	0	1,610,000	25,840	0	1,635,840	2,051,330	3,687,170	Cr 2,076,870	1,610,300
Secondary Schools	0	0	0	5,220,110	0	0	Cr 2,041,750	Cr 3,261,870	83,510	0	0	3,800	0	3,800	287,440	291,240	Cr 290,940	300
Special Schools & Alternative Provision	0	0	0	12,270,370	0	0	Cr 48,110	Cr 12,222,260	0	0	1,761,000	8,330	0	1,769,330	1,847,760	3,617,090	Cr 1,856,090	1,761,000
	10,440,420	570,310	4,146,060	52,235,910	31,436,870	0	Cr 97,919,210	1,384,130	167,020	2,461,510	3,879,000	154,160	0	4,033,160	16,075,180	22,569,850	Cr 13,042,020	9,527,830
Childrens Social Care																		
Bromley Youth Support Programme	1,773,490	159,100	44,530	208,940	136,190	0	Cr 877,060	Cr 29,340	0	1,415,850	52,000	73,720	Cr 350	125,370	419,650	1,960,870	Cr 65,760	1,895,110
Early Intervention Services	1,575,220	189,050	8,150	112,000	352,730	0	Cr 196,620	28,890	0	2,069,420	31,000	7,740	0	38,740	273,380	2,381,540	Cr 15,440	2,366,100
	3,348,710	348,150	52,680	320,940	488,920	0	Cr 1,073,680	Cr 450	0	3,485,270	83,000	81,460	Cr 350	164,110	693,030	4,342,410	Cr 81,200	4,261,210
	13,789,130	918,460	4,198,740	52,556,850	31,925,790	0	Cr 98,992,890	1,383,680	167,020	5,946,780	3,962,000	235,620	Cr 350	4,197,270	16,768,210	26,912,260	Cr 13,123,220	13,789,040

This page is left intentionally blank

Report No.
ED16012

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: **SCHOOLS' FORUM**
EDUCATION PORTFOLIO HOLDER

Date: **For Pre-Decision Scrutiny by the Education Budget Sub-Committee on Thursday 14 January 2016**

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

Title: **2016-17 DEDICATED SCHOOLS GRANT**

Contact Officer: Amanda Russell, Head of Schools Finance Support
Tel: 020 8603 3572 E-mail: Amanda.russell@liberata.com
James Mullender, Finance Manager
Tel: 020 8313 4292 E-mail: james.mullender@bromley.gov.uk

Chief Officer: Director of Education

Ward: (All Wards);

1. Reason for report

This report provides information on the 2016-17 Dedicated Schools Grant and how it will be allocated.

2. **RECOMMENDATION(S)**

The Schools Forum and Education Budget Sub-Committee are requested to:

- (a) Note the DSG allocation for 2016/17;
- (b) Discuss the proposed allocation, with specific reference to the further use of DSG carry forward to support 2016/17 expenditure as detailed in para 3.8;
- (c) Discuss proposals for reducing expenditure in future years;
- (d) Provide any comments for consideration by the Portfolio Holder for Education;

The Schools Forum Maintained Primary Representatives are requested to:

- (e) Agree de-delegation amounts for maintained primary schools for 2016/17 as detailed in para 3.13;

Subject to the views of the Schools Forum and Education Budget Sub-Committee, the Portfolio Holder for Education is requested to either:

- (f) Approve the Dedicated Schools Grant allocation to the Schools Budget for 2016/17 as per para 3.14; or
- (g) Agree that a decision on the final allocation will be requested at the Education PDS Committee meeting on 19th January 2016 reflecting any required changes.

Corporate Policy

1. Policy Status: Existing Policy
 2. BBB Priority: Children and Young People, Excellent Council
-

Financial

1. Cost of proposal: Not Applicable:
 2. Ongoing costs: Not Applicable:
 3. Budget head/performance centre: Dedicated Schools Grant
 4. Total current budget for this head: £251m
 5. Source of funding: Department for Education
-

Staff

1. Number of staff (current and additional): Full details will be available with the Council's 2016/17 Financial Control Budget published in March 2016
 2. If from existing staff resources, number of staff hours: n/a
-

Legal

1. Legal Requirement: None:
 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:

3. COMMENTARY

3.1 In December 2015 the DfE released the final Dedicated Schools Grant (DSG) for 2016/17 based on the final units of funding that were released back in July. The final units of funding have increased marginally from 2015/16 (from £4,545.22 to £4,548.24) to include funding for non-recoupment academies/free schools that was previously funded separately. Full details of this adjustment can be seen via the link below:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/446185/SBUFs_2016-17_technical_note_publication_version1.pdf

3.2 Appendix 1 shows how the pupil numbers have been calculated for use in the overall calculation of the DSG. Full details of the DSG allocations can be seen via the link below but is summarised in the table below.

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/485625/DSG_2016-17_allocations_spreadsheet_final.xls

3.3 The total DSG for 2016/17 has been calculated at £251,368,021 as detailed below:

2016/17 Dedicated Schools Grant					
High Needs Block		Early Years Block		Schools Block	
2015/16 funding restated (a)	£48,268,652	Pupil numbers (c)	3,247	Pupil numbers (h)	42,560
less		Funding per pupil (d)	£3,899	Funding per pupil (i)	£4,548
Academy unit places	£2,972,000	EY Pupil Funding (c x d = e)	£12,661,579	Pupil Funding (h x i = j)	£193,573,094
AP places	£1,391,674	add		add	
Maintained Special Schools Post 16	£920,000	2 Year Old Funding (f)	£1,845,888	NQT funding (k)	£61,652
Total Deductions (b)	£5,283,674	Early Years Pupil Premium (g)	£240,829		
Final Total (a - b)	£42,984,978	Final Total (e + f + g)	£14,748,296	Final Total (j + k)	£193,634,746
Grand Total					£251,368,021

3.4 The DSG income is generally in line with what was expected and what has been received in previous years, however there are issues regarding the related expenditure which Members are asked to consider. In 2015/16 a balanced budget was set at the start of the financial year (taking into account planned expenditure to be funded from the unspent DSG carried forwards from previous years) as agreed by the Schools Forum. However, based on the most recent estimates it is likely that the DSG budget will be overspent by around £52k.

3.6 Initial calculations showed that the DSG was likely to be overspent by around £4m in 2016/17. Additional pressures on the budget compared to 2015/16 are summarised below:

	£'000
Special schools/units (inc 25 places at Beacon House)	1,508
Bulge classes	1,000
SEN matrix payments	414
SEN independent/outborough	401
Other SEN Services	362
Licenses	73
	<u>3,759</u>

3.7 A particular growth area is bulge classes, with expenditure projected to be around £2.5m in 2016/17, and the funding mechanism for which has been discussed at the past few Schools Forum meetings. Special Educational Needs has also seen significant growth due to the SEND reforms which extended Education, Care and Health plans to age 25, but has only resulted in an additional £562k in the 2016/17 DSG allocation.

3.8 It was previously agreed as part of the 2015/16 budget process that £1m per annum of previously unspent DSG would be used to support expenditure in 2015/16 and 2016/17. Further savings have been identified by Officers from the Central Spend areas to reduce the overspend as detailed below, with a further £1.25m from the DSG carry forward to balance the budget as shown in the table below:

		£'000
High Needs Block		
Early Intervention	Cr	185
Progression Courses	Cr	111
Pupil referrals	Cr	106
Other minor changes	Cr	70
	Cr	<u>472</u>
Early Years Block		
FEE - 2 year olds	Cr	638
FEE - 3&4 year olds	Cr	321
	Cr	<u>959</u>
Schools Block		
Access Initiative (Capital)	Cr	167
Pupil Support	Cr	87
Schools Forum	Cr	23
	Cr	<u>277</u>
DSG carry forward		
Growth previously agreed	Cr	1,000
Further drawdown required	Cr	1,250
	Cr	<u>2,250</u>
	Cr	<u><u>3,959</u></u>

3.9 Appendix 3 shows details of the unspent DSG from previous years and how this will be spent/allocated in 2016/17, most of which has already been agreed with the Schools Forum. This shows that the previous underspend will be almost fully spent and as such the LA will no longer have this as a resource to draw down on.

3.10 The LA is very concerned about this situation as it clearly demonstrates that the current budget is not sustainable and that savings will need to be identified in future years. Officers have already begun the task of identifying potential savings within the High Needs and Early Years Blocks, and within the central spend in the Schools Block. However, it is anticipated that some savings may also need to be found within the Schools Block, and the Schools Forum is asked to consider this as part of the Formula Review in preparation for the introduction of the National Funding Formula.

- 3.11 Further details of the National Funding Formula are due to be announced early in the New Year as part of a full consultation process. It is possible that as Bromley is still amongst the lower funded authorities, particularly compared to other London Authorities, may benefit financially from the new proposals. If this is the case, then there may need to be some consideration as to how any additional funding may be allocated across the three notional blocks.
- 3.12 Appendix 4 shows the DfE APT (Authority Proforma Tool) which details the individual elements for the funding formula – the only changes to 2015/16 is the reduction of £79 per pupil from AWPU for all pupils which relates to the one off allocation of DSG underspend that was agreed for one year only. Relevant approval has been sought and granted by the DfE for this amount to be excluded from the MFG calculation.
- 3.13 At the meeting of Schools Forum on 26th November 2015, Maintained Primary Representatives were asked to agree to changes to the de-delegation of Supply Staff Costs following a request from the Joint Teacher Liaison Committee (JTLC) to exclude facilities time related expenditure from de-delegation and for maintained primaries to make a contribution to a separate “pot” along with academies. Based on current expenditure this equates to around £3k of the £177k budget for 2015/16 and would result in a reduction of per-pupil de-delegation from £18.50 to £18.19, Due to a lack of Maintained Primary Representatives at that meeting, the decision was deferred, so those representatives are now asked to agree the changed de-delegation for 2016/17.
- 3.14 As in previous years, the Council’s 2016/17 Draft Budget report to be considered on 13th January 2016 requests that Executive agree to delegate the setting of the Schools Budget for 2016/17 to the Portfolio Holder for Education. Subject to the views of the Schools Forum and Education Budget Sub-Committee, and no changes to the allocation being proposed, the Portfolio Holder is requested to agree the proposed Schools Budget for 2016/17. If changes to the allocation are required then a decision will be sought at the Education PDS Committee meeting on 19th January 2016.

4. POLICY IMPLICATIONS

- 4.1. The Council’s key priorities are included within the Council’s “Building a Better Bromley” statement and include:
- An Excellent Council
 - A Quality Environment
 - Regeneration
 - Vibrant Thriving Town Centres
 - Supporting our Children and Young People
 - Supporting Independence
 - Safe Bromley
 - Healthy Bromley
- 4.2. “The “Building a Better Bromley” objective of being an Excellent Council refers to the Council’s intention to provide efficient services and to have a financial strategy that focuses on stewardship and sustainability. Delivering Value for Money is one of the Corporate Operating Principles supporting Building a Better Bromley.

5. FINANCIAL IMPLICATIONS

- 5.1 Financial considerations are contained within the overall report.

6. LEGAL IMPLICATIONS

- 6.1 Dedicated Schools Grant is provided by the Secretary of State under section 16 of the Education Act 2002, and can only be used to support the schools budget as defined in the Schools and Early Years Finance (England) Regulations 2015, which are due to come into effect for the 2016/17 financial year.

Non-Applicable Sections:	Personnel Implications
Background Documents: (Access via Contact Officer)	Use of Unspent Dedicated Schools Grant, Education Budget Sub-Committee, 6 th Jan 2015 Dedicated Schools Grant 2015/16, Education PDS, 27 th Jan 2015 Outcome of Consultation - Bulge Class/Expansion Funding, Schools Forum, 26 th Nov 2015 Maintained Primary Schools De-delegation 2016-17, Schools Forum, 26 th Nov 2015 Draft 2016/17 Budget and Update on Council's Financial Strategy 2017/18 to 2019/20, Executive. 13 th Jan 2016

This page is left intentionally blank

Pupils to be used in the Dedicated Schools Grant - Schools and Early Years Blocks 2015-16:

Bromley

App 1

- A Pupils from Schools Census 2015 (headcount) for Schools, January 2015 (FTE) for Early Years
- B Pupils from Alternative Provision 2015 (headcount) for Schools, Alternative Provision 2015 (FTE) for Early Years
- C Pupils from Early Years Census 2015 (FTE)
- D Reception Uplift from October 2014 and January 2015 School Census (headcount)
- E Places in SEN Units and Resourced Provision from High Needs returns
- F **Total pupils for the 2016/17 Dedicated Schools Grant - Schools and Early Years Blocks (A + B + C + D - E)**
(pupil numbers are summed then rounded)

Schools Block	Early Years Block	
	3 & 4 year olds	2 year olds
42,847.0	287.6	5.9
0.0	0.0	0.0
	2,959.1	361.8
61.0		
348.0		
42,560.0	3,247.0	368.0

This page is left intentionally blank

2016/17 Funding Estimate

Appendix 2

High Needs Block		Early Year Block		Schools Block		
Income						
High Needs Block restated	48,268,652	2013/14 funding	12,661,579	pupil numbers	42,560	
Academy units	-2,720,000			Baseline £ per pupil	4,548	
PRU places recoupment	-1,391,674	EY Pupil Premium	240,829		193,573,094	
HN recoupment	-920,000					
Academy post-16 units	-252,000	2 year old funding	1,845,888	NQT	61,652	
	<u>-5,283,674</u>					
	42,984,978		14,748,296		193,634,746	251,368,020
Expenditure						
Delegated budgets						
Special Schools - pre 16	9,930,752	Maintained	1,164,656	Academy Recoupment	165,488,917	
Burwood places	145,833			Primary SBS	25,575,927	
Burwood top up	847,917			Secondary SBS	2,889,840	
PRU	1,505,000					
Units - maint places	720,000					
- maint top up	284,000					
- academy top up	1,067,666					
Central budgets						
Darrick Wood HIU	780,590	PVI	12,298,210	Access and Admissions	475,500	
Pupil Referral costs	-175,000	2 yr old exp	2,097,600	Supply Staff costs	101,574	
Early Intervention - Primary	0	EY Pupil Premium	240,829	Dedelegated FSM eligibility	13,282	
Progression Courses	340,000			Growth Fund	2,500,000	
Home and Alternative Provision	942,570			Licences	213,000	
SEN Support in Mainstream	251,260			Capital	45,840	
Primary academy matrix	1,428,823			Schools Forum	1,000	
Secondary academy matrix	1,051,562			Pupil Support Advisory team	409,900	
Maintained matrix	85,279			Support to Schools	46,180	
Social Communication Difficulties Team	298,620			Business Support	5,000	
Sensory Support	973,060			Workforce Development	56,090	
Outreach and Inclusion	222,350					
SEN Support in Preschools	363,530					
Specialist Support and Disability	440,950					
Complex Needs Team	312,320					
Phoenix Pre School Service	1,652,910					
Early Support Programme	99,790					
SEN Transport	330,000					
Special Central	45,000					
Other Statemented	384,940					
SEN Outborough Fees	11,954,041					
SEN in fe Colleges	3,700,000					
Special capital	11,820					
Total	39,995,583		15,801,295		197,822,050	253,618,928
	2,989,395		-1,052,999		-4,187,304	-2,250,908

This page is left intentionally blank

Dedicated Schools Grant - Carry forward**App 3**

	£'000
14/15 DSG c/fwd	9,886
15/16 funding from c/f agreed Jan 15	Cr 4,483
16/17 growth agreed Jan 15	Cr 1,000
Beacon House refurbishment agreed Jan 15	Cr 2,972
15/16 projected overspend	Cr 52
	Cr 8,507
16/17 further growth required	Cr 1,250
Balance	<u>129</u>

This page is left intentionally blank

LA Name:	Bromley
LA Number:	305

Pupil Led Factors

1) Basic Entitlement Age Weighted Pupil Unit (AWPU)	Reception uplift	No	Pupil Units		0.00		Total	Proportion of total pre MFG funding (%)	Notional SEN (%)			
	Description	Amount per pupil	Pupil Units		Sub Total				Notional SEN (%)			
	Primary (Years R-6)	£2,938.00	26,192.00		£76,952,096		£147,966,633	39.53%	4.00%			
	Key Stage 3 (Years 7-9)	£4,168.00	10,100.00		£42,096,800				14.86%			
	Key Stage 4 (Years 10-11)	£4,559.00	6,343.00		£28,917,737							
	Description	Primary amount per pupil	Secondary amount per pupil	Eligible proportion of primary NOR	Eligible proportion of secondary NOR	Sub Total	Total	Proportion of total pre MFG funding (%)	Primary Notional SEN (%)	Secondary Notional SEN (%)		
2) Deprivation	FSM6 % Primary	£1,500.00		5,229.02		£7,843,535	£13,392,485	6.88%	50.00%			
	FSM6 % Secondary		£1,500.00		3,699.30	£5,548,950					50.00%	
	IDACI Band 1			896.89		£62,280						
	IDACI Band 2			1,851.78		£1,154,890						
	IDACI Band 3			2,773.14		£1,967,310						
	IDACI Band 4			2,548.97		£1,550,080						
	IDACI Band 5			265.74		£147,310						
	IDACI Band 6			0.00	0.00	£0						
	Description	Primary amount per pupil	Secondary amount per pupil	Eligible proportion of primary NOR	Eligible proportion of secondary NOR	Sub Total	Total	Proportion of total pre MFG funding (%)	Primary Notional SEN (%)	Secondary Notional SEN (%)		
3) Looked After Children (LAC)	LAC X March 14			147.13		£0	£2,571,726	0.00%				
4) English as an Additional Language (EAL)	EAL 3 Primary	£1,000.00		2,291.99		£2,291,994		1.32%	0.00%			
	EAL 3 Secondary		£1,129.00		247.77	£279,732			0.00%		0.00%	
5) Mobility	Pupils starting school outside of normal entry dates			596.90	0.00	£0	0.00%					
	Description	Weighting	Amount per pupil	Percentage of eligible Y1-3 and Y4-6 NOR respectively	Eligible proportion of primary and secondary NOR respectively	Sub Total	Total	Proportion of total pre MFG funding (%)	Primary Notional SEN (%)	Secondary Notional SEN (%)		
6) Prior attainment	Low Attainment % new EFSP	100.00%		31.91%		£11,455,476	£14,127,611	7.26%	100.00%			
	Low Attainment % old FSP 73		£1,858.00	14.02%	6,165.49							
	Secondary pupils not achieving (KS2 level 4 English or Maths)		£1,000.00		2,672.13				£2,672,134			100.00%

Other Factors

Factor	Lump Sum per Primary School (£)	Lump Sum per Secondary School (£)	Lump Sum per Middle School (£)	Lump Sum per All-through School (£)	Total (£)	Proportion of total pre MFG funding (%)	Notional SEN (%)		
7) Lump Sum	£155,000.00	£155,000.00			£14,725,000	7.56%	0.00%	0.00%	
8) Sparsity factor					£0	0.00%			
Please provide alternative distance and pupil number thresholds for the sparsity factor below. Please leave blank if you want to use the default thresholds. Also specify whether you want to use a tapered lump sum for one or both of the phases.									
Primary distance threshold (miles)		Primary pupil number average year group threshold		Fixed or tapered sparsity primary lump sum?	Fixed				
Secondary distance threshold (miles)		Secondary pupil number average year group threshold		Fixed or tapered sparsity secondary lump sum?	Fixed				
Middle schools distance threshold (miles)		Middle school pupil number average year group threshold		Fixed or tapered sparsity middle school lump sum?	Fixed				
All-through schools distance threshold (miles)		All-through pupil number average year group threshold		Fixed or tapered sparsity all-through lump sum?	Fixed				
9) Fringe Payments					£0	0.00%			
10) Split Sites					£0	0.00%			
11) Rates					£1,875,162	0.96%			
12) PFI funding					£0	0.00%			
13) Sixth Form					£0	0.00%			
14) Exceptional circumstances (can only be used with prior agreement of EFA)									
Circumstance					Total (£)	Proportion of total pre MFG funding (%)	Notional SEN (%)		
Additional lump sum for schools amalgamated during FY15-16					£0	0.00%	0.00%	0.00%	
Additional sparsity lump sum for small schools					£0	0.00%			
Exceptional Circumstance3					£0	0.00%			
Exceptional Circumstance4					£0	0.00%			
Exceptional Circumstance5					£0	0.00%			
Exceptional Circumstance6					£0	0.00%			
Total Funding for Schools Block Formula (excluding MFG Funding Total) (£)					£194,658,617	100.00%	£23,901,937		

15) Minimum Funding Guarantee (MFG is set at -1.5%)					#VALUE!			
Apply capping and scaling factors? (gains may be capped above a specific ceiling and/or scaled)					No			
Capping Factor (%)		Scaling Factor (%)						
Total deduction if capping and scaling factors are applied					£0			
					Total (£)	Proportion of Total funding(%)		
MFG Net Total Funding (MFG + deduction from capping and scaling)					£460,363	0.24%		
High Needs threshold (only fill in if, exceptionally, a high needs threshold different from £6,000 has been approved)								
Additional funding from the high needs budget					£0.00			
Growth fund (if applicable)					£1,500,000.00			
Falling rolls fund (if applicable)					£0.00			
Total Funding For Schools Block Formula					£195,118,980			
% Distributed through Basic Entitlement					76.01%			
% Pupil Led Funding					91.47%			
Primary: Secondary Ratio					1 :			

This page is left intentionally blank