

TO MEMBERS OF THE COUNCIL

Notice is hereby given that a meeting of the Council of the London Borough of Bromley is to be held in the Council Chamber at Bromley Civic Centre on Monday 4 July 2016 at 7.00 pm which meeting the Members of the Council are hereby summoned to attend.

Prayers

A G E N D A

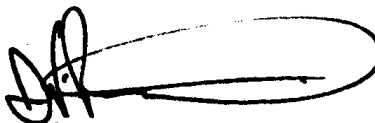
- 1 Apologies for absence
- 2 Declarations of Interest
- 3 To confirm the Minutes of the meetings of the Council held on 11th May 2016
(Pages 3 - 28)
- 4 Petitions
- 5 Questions from members of the public where notice has been given
Questions must be received by 5pm on Tuesday 28th June 2016
- 6 Questions for oral reply from Members of the Council where notice has been given
- 7 Questions for written reply from Members of the Council where notice has been given
- 8 To consider any statements that may be made by the Leader of the Council, Portfolio Holders or Chairmen of Committees.
- 9 Civic Centre Development Strategy Stage 2 Report: Business Case
(Pages 29 - 54)
- 10 Pooling Options
(Pages 55 - 82)
- 11 Provisional Final Accounts 2015/16 - Transfer to the Growth Fund
(Pages 83 - 148)
- 12 First Report of the Education Select Committee 2016/17 - The Education Landscape in Bromley
(Pages 149 - 190)
- 13 To consider Motions of which notice has been given.
- 14 The Mayor's announcements and communications.

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

To consider an item in respect of which resolutions have been passed under the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation Order 2006) and the Freedom of Information Act 2000.

- | | | |
|----|--|---|
| 16 | Bromley College Pension Arrangements
(Pages 191 - 220) | Information relating to the financial or business affairs of any particular person (including the authority holding that information) |
| 17 | "Gifting" of Mears Scheme to Pension Fund
(Pages 221 - 244) | Information relating to the financial or business affairs of any particular person (including the authority holding that information) |
| 18 | Investment Opportunity (to follow) | Information relating to the financial or business affairs of any particular person (including the authority holding that information) |

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Chief Executive

**BROMLEY CIVIC CENTRE
BROMLEY BR1 3UH
Friday 24th June 2016
Vol. 53 No.2**

LONDON BOROUGH OF BROMLEY

MINUTES

of the proceedings of the special Meeting of the
Council of the Borough
held at 6.00 pm on 11 May 2016

Present:

**The Worshipful the Mayor
Councillor Kim Botting**

**The Deputy Mayor
Councillor Alan Collins**

Councillors

Vanessa Allen
Graham Arthur
Douglas Auld
Kathy Bance MBE
Julian Benington
Nicholas Bennett J.P.
Eric Bosshard
Katy Boughey
Kevin Brooks
Lydia Buttinger
Stephen Carr
David Cartwright QFSM
Mary Cooke
Peter Dean
Ian Dunn
Judi Ellis

Robert Evans
Simon Fawthrop
Peter Fortune
Hannah Gray
William
Huntington-Thresher
David Jefferys
Charles Joel
David Livett
Kate Lymer
Peter Morgan
Keith Onslow
Angela Page
Ian F. Payne
Sarah Phillips
Tom Philpott

Chris Pierce
Neil Reddin FCCA
Catherine Rideout
Charles Rideout QPM CVO
Michael Rutherford
Richard Scoates
Colin Smith
Melanie Stevens
Tim Stevens J.P.
Teresa Te
Michael Tickner
Pauline Tunnicliffe
Michael Turner
Angela Wilkins
Richard Williams

The meeting was opened with prayers

In the Chair
The Mayor, Councillor Kim Botting

182 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Russell Mellor, Terence Nathan, Tony Owen and Diane Smith.

Council
11 May 2016

183 ADMISSION OF HONORARY ALDERMEN

The report of the General Purposes and Licensing Committee on 22nd March 2016 was considered and the following motion was moved by Councillor Tim Stevens and seconded by Councillor Colin Smith:

That the title of Honorary Alderman is conferred on the following former Councillors –

David Haslam
George Taylor

This motion was **CARRIED** unanimously.

The Meeting ended at 6.10 pm

Mayor

LONDON BOROUGH OF BROMLEY

MINUTES

of the proceedings of the annual meeting of the
Council of the Borough
held at 6.30 pm on 11 May 2016

Present:

**The Worshipful the Mayor
Councillor Kim Botting**

**The Deputy Mayor
Councillor Alan Collins**

Councillors

Vanessa Allen	Simon Fawthrop	Tom Philpott
Graham Arthur	Peter Fortune	Chris Pierce
Douglas Auld	Hannah Gray	Neil Reddin FCCA
Kathy Bance MBE	Ellie Harmer	Catherine Rideout
Julian Benington	Samaris Huntington-	Charles Rideout QPM CVO
Nicholas Bennett J.P.	Thresher	Michael Rutherford
Ruth Bennett	William Huntington-	Richard Scoates
Eric Bosshard	Thresher	Colin Smith
Katy Boughey	David Jefferys	Melanie Stevens
Kevin Brooks	Charles Joel	Tim Stevens J.P.
Lydia Buttinger	David Livett	Teresa Te
Stephen Carr	Kate Lymer	Michael Tickner
David Cartwright QSFM	Alexa Michael	Pauline Tunncliffe
Mary Cooke	Peter Morgan	Michael Turner
Peter Dean	Keith Onslow	Stephen Wells
Ian Dunn	Tony Owen	Angela Wilkins
Nicky Dykes	Angela Page	Richard Williams
Judi Ellis	Ian F. Payne	
Robert Evans	Sarah Phillips	

The meeting was opened with prayers

In the Chair
The Mayor
Councillor Kim Botting

1 To elect the Mayor of the Borough

It was moved by Councillor Katy Boughey, seconded by Councillor Douglas Auld and

RESOLVED that Councillor Ian F. Payne be elected Mayor of the Borough.

Councillor Payne made and subscribed the Declaration of Acceptance of the Office of Mayor and thereupon adjourned from the Chamber in company with the retiring Mayor to receive the insignia of office.

In the chair, the Mayor, Councillor Ian F. Payne.

On his return to the Chamber the Mayor expressed his thanks for the honour conferred upon him and announced that during his year of office the charities that he would be supporting were the Salvation Army Youth Project and 'The Breast of Bromley' - a regional volunteer group in Bromley working in partnership with 'Breast Cancer Now' the UK's largest breast cancer research charity.

2 The Retiring Mayor

On a motion by Councillor Mary Cooke, which was seconded by Councillor William Huntington-Thresher it was

RESOLVED that at the conclusion of the year of office of Councillor Kim Botting as Mayor of the London Borough of Bromley, the Council places on record its appreciation of the able manner in which she has presided at meetings of the Council and the distinction with which she has maintained and discharged the high traditions and responsibilities of that office.

The Council also recognises the committed and dedicated manner with which she has carried out Mayoral duties when representing the Borough, spreading awareness of the history and tradition of the Mayoralty, as well as strengthening our long-standing relationship with Neuwied.

The Council records her unstinting support for the Borough's many Charities, Voluntary Community Groups and other organisations. The Council also acknowledges her particular involvement, support and interest in the Business Sector of the Borough and her interest and support for our various ethnic communities.

The Council further acknowledges her enthusiastic support and fund raising efforts through her Charity appeal for *The National Brain Appeal* and *Connect*.

That the Corporate Seal be affixed to an engrossment of this resolution for presentation to Councillor Kim Botting and a Past Mayor's Badge be presented to her in token of the appreciation hereby expressed.

Thereupon the Mayor, on behalf of the Council, invested Councillor Kim Botting with a badge in token of the appreciation of her services as Mayor of the Borough.

Councillor Botting expressed her thanks for the terms of the resolution and the presentation and for the support accorded to her which had contributed so greatly to her year of office as Mayor.

Councillor Botting presented a badge and resolution to the retiring Mayor's Chaplain, Reverend Brian McHenry.

RESOLVED that the Council

(1) records its appreciation of the able and courteous services of Councillor Alan Collins and his Consort, Mrs Cleusa Collins when as Deputy Mayor and Deputy Consort for the year 2015/16, they represented the Mayoralty and the Council; and

(2) to provide to them an attested copy of this resolution.

Councillor Collins expressed his thanks for the terms of the resolution and for the support accorded to him during his year of office as Deputy Mayor.

3 To record the appointment of the Deputy Mayor signified to the Council in writing

The Mayor signified orally and in writing his appointment of Councillor Hannah Gray as the Deputy Mayor.

The Deputy Mayor was invested by the Mayor with the insignia of her office and expressed appreciation for the honour of her appointment.

4 Apologies for absence

Apologies for absence were received from Councillors Peter Fookes, Will Harmer, Russell Mellor, Terence Nathan and Diane Smith.

5 Declarations of Interest

There were no declarations of interest.

6 To confirm the Minutes of the meeting of the Council held on 11th April 2016

The minutes of the meeting held on 11th April 2016 were confirmed.

7 To receive an address from the Leader of the Council if they so elect

In accordance with the agreed constitutional arrangement that the Leader of the Council may elect to address the meeting, Councillor Stephen Carr made a brief statement.

After offering his personal congratulations to the new Mayor and Deputy Mayor and their consorts, and to the retiring Mayor and Deputy Mayor and their consorts, the Leader highlighted the key themes for the authority in the coming year. In the light of the continuing pressure on local authorities, he considered that it was crucial that he set out how the Council would achieve the aim of becoming a self-sufficient local authority, protecting front line services and key local Member priorities. The priorities were to (i) use the Growth Fund to generate new business rate income and generate new jobs; (ii) achieve a democratically-led integration of health and social care; and (iii) renew efforts to ensure that Bromley stood out as an attractive place to live, work, start new businesses and spend leisure time in by ensuring that it remained as clean and welcoming as possible.

8 To appoint Committees and their Chairmen and Vice-Chairmen and agree proportionality

A motion that the appointment of Councillors to Committees and the election of Chairmen and Vice-Chairmen be approved as set out in the schedule circulated was moved by Councillor William Huntington-Thresher, seconded by Councillor Stephen Carr and **CARRIED**.

After the end of the Council meeting, Committees met to appoint Sub-Committees and elect their Chairmen and Vice-Chairmen. The final version of the schedule is attached as Appendix A to these minutes.

(Note:

The following error in the schedule was subsequently identified - Councillor Tim Stevens JP should be appointed to the Industrial Relations Sub-Committee, not Councillor Michael Turner.)

9 To receive the Scheme of Delegation of Executive Functions from the Leader of the Council, and to approve the Scheme of Delegation of Non-Executive Functions
Report CSD16059

A motion to confirm the Scheme of Delegation was moved by Councillor Tim Stevens, seconded by Councillor Peter Dean and **CARRIED**.

10 To Approve Changes to the Constitution
Report CSD16065

A motion to approve changes to the Constitution was moved by Councillor Nicholas Bennett, seconded by Councillor Stephen Carr and **CARRIED**.

11 To Receive the report on Councillor Attendance in 2015/16
Report CSD16060

In accordance with the agreed procedure, a report was received setting out details of Members' attendance at meetings during the 2015/16 Council year.

12 To Receive reports from Councillors appointed to Outside Bodies in 2015/16
Report CSD16061

In accordance with the agreed procedures, reports were received from Councillors appointed to serve on outside bodies.

13 The Mayor's announcements and communications.

The Mayor announced that Lt. Colonels Graham and Kirsten Owen would be his chaplains for the forthcoming year.

The Mayor requested that his best wishes be passed to Councillor Terence Nathan, who was unwell.

Members were invited to the following events –

- Monday 23rd May – Charity dinner at Villagio Restaurant, Chislehurst High Street
- Sunday 5th June – Civic Service at the Salvation Army, Ethelbert Road, followed by lunch at the Bromley Court Hotel.
- Saturday 10th December – masked Christmas ball at the Beaverwood.

The Meeting ended at 8.20 pm

Mayor

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COUNCIL APPOINTMENTS 2016/17

(Appointments to any outstanding vacancies are to be notified to the Chief Executive by the Group Leaders and ratified at the next meeting of the Council.)

1. POLICY DEVELOPMENT AND SCRUTINY COMMITTEES

(a) Proportionality and Size Of Committees

RECOMMENDED that the Committee sizes and proportionality indicated below be agreed.

* Plus Co-opted members to be appointed at the first meeting of PDS Committees as appropriate

	Size	Conservative	Labour	UKIP
Executive and Resources*	15	12	2	1
Care Services*	10	8	1	1
Education Select Cttee*	9	8	1	-
Environment*	10	8	1	1
Public Protection and Safety*	9	8	1	-
Renewal and Recreation*	9	8	1	-

(b) Appointment of Members to Policy Development and Scrutiny Committees

RECOMMENDED that the following Schedule of Members to serve on Policy Development and Scrutiny Committees for the Municipal Year 2014/15 be agreed.

**(i) EXECUTIVE AND RESOURCES PDS
(To include the Chairmen of other PDS Committees)**

	<u>Councillors</u>
1	Nicholas Bennett
2	Judi Ellis
3	Simon Fawthrop
4	Ellie Harmer
5	William Huntington-Thresher
6	Alexa Michael
7	Russell Mellor
8	Keith Onslow
9	Tony Owen
10	Sarah Phillips
11	Michael Rutherford
12	Stephen Wells
13	Ian Dunn (LAB)
14	Angela Wilkins (LAB)
15	David Livett (UKIP)
**	Plus Co-opted Members as appropriate

(ii) CARE SERVICES PDS

	<u>Councillors</u>
1	Ruth Bennett
2	Mary Cooke
3	Judi Ellis
4	Hannah Gray
5	David Jefferys
6	Catherine Rideout
7	Charles Rideout
8	Pauline Tunnicliffe
9	Kevin Brooks (LAB)
10	Terence Nathan (UKIP)
**	Plus Co-opted Members as appropriate

(iii) EDUCATION SELECT COMMITTEE

	<u>Councillors</u>
1	Nicholas Bennett
2	Kim Botting
3	Alan Collins
4	Mary Cooke
5	Judi Ellis
6	Ellie Harmer
7	Chris Pierce
8	Neil Reddin
9	Kathy Bance (LAB)
**	Plus Co-opted Members as appropriate

(iv) ENVIRONMENT PDS

	<u>Councillors</u>
1	David Cartwright
2	Ellie Harmer
3	Samaris Huntington-Thresher
4	William Huntington-Thresher
5	Angela Page
6	Sarah Phillips
7	Catherine Rideout
8	Melanie Stevens
9	Ian Dunn (LAB)
10	Terence Nathan (UKIP)
**	Plus Co-opted Members as appropriate

(v) PUBLIC PROTECTION AND SAFETY PDS

	<u>Councillors</u>
1	Kim Botting
2	David Cartwright
3	Hannah Gray
4	Will Harmer
5	Alexa Michael
6	Tom Philpott
7	Chris Pierce
8	Tim Stevens
9	Richard Williams (LAB)
**	Plus Co-opted Members as appropriate

(vi) RENEWAL AND RECREATION PDS

	<u>Councillors</u>
1	Douglas Auld
2	Julian Benington
3	Peter Dean
4	David Jefferys
5	Alexa Michael
6	Michael Rutherford
7	Michael Tickner
8	Stephen Wells
9	Vanessa Allen (LAB)
**	Plus Co-opted Members as appropriate

(c) **Appointment of Chairman and Vice-Chairman**

RECOMMENDED that the following Councillors be appointed as Chairman and Vice-Chairman of Policy Development and Scrutiny Committees.

	<u>Chairman</u>	<u>Vice-Chairman</u>
Executive and Resources	Simon Fawthrop	Keith Onslow
Care Services	Judi Ellis	Pauline Tunnicliffe
Education	Nicholas Bennett	Neil Reddin
Environment	William Huntington- Thresher	Angela Page
Public Protection and Safety	Alexa Michael	Chris Pierce
Renewal and Recreation	Michael Rutherford	Julian Benington

2. GENERAL PURPOSES AND LICENSING COMMITTEE

(a) Proportionality, Size of Committee and Terms of Reference

RECOMMENDED that the Committee size and proportionately indicated above be agreed.

	<u>Size</u>	<u>Conservative</u>	<u>Labour</u>	<u>UKIP</u>
General Purposes and Licensing Committee	15	13	1	1

(b) Membership of the General Purposes and Licensing Committee

RECOMMENDED that the following Schedule of Members to serve on the General Purposes and Licensing Committee be agreed.

(i) GENERAL PURPOSES AND LICENSING COMMITTEE

	<u>Councillors</u>
1	Nicholas Bennett
2	Kim Botting
3	Alan Collins
4	Mary Cooke
5	Ellie Harmer
6	David Jefferys
7	Keith Onslow
8	Charles Rideout
9	Diane Smith
10	Tim Stevens
11	Teresa Te
12	Michael Turner
13	Stephen Wells
14	Kathy Bance (LAB)
15	David Livett (UKIP)

(c) Appointment of Chairmen and Vice-Chairman

RECOMMENDED that the following Councillors be appointed as Chairman and Vice-Chairman of the General Purposes and Licensing Committee.

	<u>Chairman</u>	<u>Vice-Chairman</u>
GENERAL PURPOSES AND LICENSING COMMITTEE	Tim Stevens	Diane Smith

3. DEVELOPMENT CONTROL COMMITTEE

(a) Proportionality and size of Committee

RECOMMENDED: That the Committee size and proportionately indicated below be agreed.

	<u>Size</u>	<u>Conservative</u>	<u>Labour</u>	<u>UKIP</u>
Development Control Committee	18	15	2	1

(b) Membership of Development Control Committee

RECOMMENDED that the Schedule of Members to serve on Development Control Committee be agreed as follows .

(i) DEVELOPMENT CONTROL COMMITTEE

	<u>Councillors</u>
1	Graham Arthur
2	Douglas Auld
3	Eric Bosshard
4	Katy Boughey
5	Lydia Buttinger
6	Peter Dean
7	Nicky Dykes
8	Simon Fawthrop
9	William Huntington-Thresher
10	Charles Joel
11	Alexa Michael
12	Neil Reddin
13	Richard Scoates
14	Pauline Tunnicliffe
15	Michael Turner
16	Vanessa Allen (LAB)
17	Kevin Brooks (LAB)
18	David Livett (UKIP)

(c) **Appointment of Chairman and Vice-Chairman**

RECOMMENDED: that the following Councillors be appointed as Chairman and Vice-Chairman of the Development Control Committee.

	<u>Chairman</u>	<u>Vice-Chairman</u>
DEVELOPMENT CONTROL COMMITTEE	Peter Dean	Richard Scoates

4. **STANDARDS COMMITTEE (5 Councillors)**

RECOMMENDED that

(1) Councillors Vanessa Allen (LAB), Nicholas Bennett, David Livett (UKIP) Angela Page and Michael Tickner be appointed to serve on the Standards Committee for the 2016/17 Municipal Year

(2) Dr Simon Davey and Mr Nicholas Marcar be appointed as co-opted members of the Committee for 2016/17.

5. **STANDING ADVISORY COUNCIL FOR RELIGIOUS EDUCATION (SACRE) (7 Councillors)**

(a) **Proportionality and size of SACRE**

<u>Size</u>	<u>Conservative</u>	<u>Labour</u>	<u>UKIP</u>
7	6	1	0

(b) **Membership of SACRE**

RECOMMENDED that Councillors Kevin Brooks (LAB), Robert Evans, David Jefferys, Russell Mellor, Keith Onslow and Sarah Phillips be appointed to serve on SACRE for the 2016/2017 Municipal Year (1 vacancy – Conservative).

6. **APPOINTMENT PANELS**

(a) **Proportionality and size of Appointment Panels (as and when required)**

RECOMMENDED that the Panel sizes and proportionality indicated below be agreed.

<u>Size</u>	<u>Conservative</u>	<u>Labour</u>	<u>UKIP</u>
8	7	1	0

(b) **Membership of Appointment Panels**

RECOMMENDED: that Appointment Panels to fill vacancies for Chief and Deputy Chief Officer posts should compose 8 Members as follows; the Leader of the Council, a majority Party Member of the Executive, a majority Party PDS Chairman, the Chairman or Vice-Chairman of the General Purposes and Licensing Committee, one Labour Member and up to 3 other Majority Party Members nominated by the Leader of the Council.

7. **CHIEF OFFICER DISCIPLINARY PANEL**

(a) **Proportionality And Size of Appointment Panel**

RECOMMENDED that the Panel sizes and proportionality indicated below be agreed.

<u>Size</u>	<u>Conservative</u>	<u>Labour</u>	<u>UKIP</u>
7	6	1	0

(b) **Appointment of Members and Alternates**

RECOMMENDED: that Chief Officer Disciplinary Panels for Chief and Deputy Chief Officer posts should compose 7 Members as follows; the Leader of the Council, a majority Party Member of the Executive, a majority Party PDS Chairman, one Labour Member, and 3 Members from the following 4 choices:

Either the Chairman of the General Purposes and Licensing Committee, the Vice-Chairman of the General Purposes and Licensing Committee, a second Majority Party Member of the Executive or a second Majority Party Member PDS Chairman.

8. CHIEF EXECUTIVE REMUNERATION PANEL

(a) Proportionality and size of Remuneration Panels (as and when required)

RECOMMENDED that the Panel sizes and proportionality indicated below be agreed.

<u>Size</u>	<u>Conservative</u>	<u>Labour</u>	<u>UKIP</u>
8	6	1	1

(b) Membership of Remuneration Panels

RECOMMENDED: that the Chief Executive Remuneration Panel should compose 9 Members as follows; the Leader of the Council, the Deputy Leader of the Council, the Resources Portfolio Holder, the Leaders of the Minority Groups (or their nominees) and up to three other Majority Party Members.

9. URGENCY COMMITTEE

To appoint 7 Councillors (comprising the Mayor, the Chairman of the General Purposes and Licensing Committee, the Chairman of the Executive and Resources PDS Committee, the relevant Portfolio Holder or Committee Chairman and the Leaders of the three largest party groups) to deal with urgent non-executive decisions that are not of a sensitive nature.

RECOMMENDED: that the Urgency Committee be composed of the Mayor, the Chairman of the General Purposes and Licensing Committee, the Chairman of the Executive and Resources PDS Committee, the relevant Portfolio Holder or Committee Chairman and the Leaders of the three largest party groups.

10. SAFER BROMLEY PARTNERSHIP

RECOMMENDED that Councillor Kate Lymer be appointed as the Council representative on the Safer Bromley Partnership.

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COMMITTEE APPOINTMENTS 2016/17

GENERAL PURPOSES AND LICENSING COMMITTEE APPOINTMENTS

1. PROPORTIONALITY OF SUB-COMMITTEES

RECOMMENDED that the proportionality of Sub-Committees be agreed as follows -

	<u>Size</u>	<u>Conservative</u>	<u>Labour</u>	<u>UKIP</u>
Audit Sub-Committee	7	6	1	0
Pensions Investment Sub-Committee	7	5	1	1
Local Joint Committee	9	8	1	0
Industrial Relations	7	6	1	0
Rights of Way	7	6	1	0

2. MEMBERSHIP OF SUB-COMMITTEES

RECOMMENDED that the Schedule of Members to serve on the Sub-Committees of the General Purposes and Licensing Committee be agreed as below.

(i) AUDIT SUB-COMMITTEE

	<u>Councillors</u>
1	Alan Collins
2	Peter Fortune
3	William Huntington-Thresher
4	Keith Onslow
5	Neil Reddin
6	Stephen Wells
7	Ian Dunn (LAB)

(ii) PENSIONS INVESTMENT SUB-COMMITTEE

	<u>Councillors</u>
1	Eric Bosshard
2	Simon Fawthrop
3	Russell Mellor
4	Keith Onslow
5	Teresa Te
6	Richard Williams (LAB)
7	David Livett (UKIP)

(iii) LOCAL JOINT CONSULTATIVE COMMITTEE (to include Leader or named Deputy, Chairman of Executive & Resources, Policy Development and Scrutiny Committee or named Deputy and Chairman of the General Purposes and Licensing Committee or named Deputy)

	<u>Councillors</u>
1	Simon Fawthrop
2	Kate Lymer
3	Russell Mellor
4	Tom Philpott
5	Colin Smith
6	Diane Smith
7	Tim Stevens
8	Michael Turner
9	Angela Wilkins (LAB)
	(Other members to be appointed by the Staff-side.)

(iv) INDUSTRIAL RELATIONS SUB-COMMITTEE (to include Leader, Deputy Leader, Chairman and Vice-Chairman of the General Purposes and Licensing Committee.)

	<u>Councillors</u>
1	Stephen Carr
2	David Cartwright
3	Simon Fawthrop
4	Colin Smith
5	Diane Smith
6	Tim Stevens
7	Richard Williams (LAB)

(vi) RIGHTS OF WAY SUB-COMMITTEE

	<u>Councillors</u>
1	Lydia Buttinger
2	Simon Fawthrop
3	Richard Scoates
4	Teresa Te
5	Michael Tickner
6	Michael Turner
7	Vanessa Allen (LAB)

3 APPOINTMENT OF CHAIRMEN AND VICE-CHAIRMEN

RECOMMENDED that the following Councillors be appointed as Chairman and Vice-Chairman of the Sub-Committees of the General Purposes and Licensing Committee.

AUDIT SUB-COMMITTEE	Neil Reddin	Alan Collins
PENSIONS INVESTMENT SUB-COMMITTEE	Teresa Te	Keith Onslow
RIGHTS OF WAY SUB-COMMITTEE	Lydia Buttinger	Michael Tickner
LOCAL JOINT CONSULTATIVE COMMITTEE	Russell Mellor	To be nominated by the Staff Side
INDUSTRIAL RELATIONS SUB-COMMITTEE	Stephen Carr	Colin Smith

4. APPOINTMENT OF APPEALS SUB-COMMITTEE

RECOMMENDED:

(1) that all Members of the Council, except Executive Members, be eligible for appointment to the Appeals Sub-Committee.

(2) three Members be drawn as required, to constitute an Appeals Sub-Committee.

5. APPOINTMENT OF LICENSING SUB-COMMITTEE

RECOMMENDED:

(1) that all Members of the General Purposes and Licensing Committee be eligible for appointment to the Licensing Appeals Sub-Committee;

(2) three Members be drawn as required, to constitute a Licensing Sub-Committee.

DEVELOPMENT CONTROL COMMITTEE APPOINTMENTS

1. PROPORTIONALITY OF SUB-COMMITTEES OF DEVELOPMENT CONTROL COMMITTEE

RECOMMENDED that the following proportionality be agreed

	<u>Size</u>	<u>Conservative</u>	<u>Labour</u>	<u>UKIP</u>
Plans Sub No. 1	10	8	1	1
Plans Sub No. 2	9	8	1	0
Plans Sub No. 3	9	8	1	0
Plans Sub No. 4	9	8	1	0

2. MEMBERSHIP OF SUB-COMMITTEES

RECOMMENDED that the following Schedule of Members to serve on the Sub-Committees of the Development Control Committee be agreed.

(i) PLANS SUB-COMMITTEE NO. 1

	<u>Councillors</u>
1	Douglas Auld
2	Katy Boughey
3	Alan Collins
4	Nicky Dykes
5	Robert Evans
6	Alexa Michael
7	Charles Joel
8	Angela Page
9	Richard Williams (LAB)
10	Terence Nathan (UKIP)

(ii) PLANS SUB-COMMITTEE NO. 2

	<u>Councillors</u>
1	Lydia Buttinger
2	Peter Dean
3	Nicky Dykes
4	Samaris Huntington-Thresher
5	Russell Mellor
6	Richard Scoates
7	Neil Reddin
8	Michael Turner
9	Kathy Bance (LAB)

(iii) PLANS SUB-COMMITTEE NO. 3

	<u>Councillors</u>
1	Douglas Auld
2	Katy Boughey
3	Alan Collins
4	William Huntington-Thresher
5	Charles Joel
6	Alexa Michael
7	Angela Page
8	Stephen Wells
9	Kevin Brooks (LAB)

(iv) PLANS SUB-COMMITTEE NO. 4

	<u>Councillors</u>
1	Lydia Buttinger
2	Peter Dean
3	Simon Fawthrop
4	Kate Lymer
5	Russell Mellor
6	Richard Scoates
7	Melanie Stevens
8	Michael Turner
9	Kathy Bance (LAB)

3. APPOINTMENT OF CHAIRMEN AND VICE CHAIRMEN

RECOMMENDED: that the following Councillors be appointed as Chairmen and Vice Chairmen of the Sub-Committees of the Development Control Committee.

PLANS SUB-COMMITTEE NO. 1	Alexa Michael	Charles Joel
PLANS SUB-COMMITTEE NO. 2	Lydia Buttinger	Michael Turner
PLANS SUB-COMMITTEE NO. 3	Katy Boughey	Douglas Auld
PLANS SUB-COMMITTEE NO. 4	Richard Scoates	Peter Dean

CARE SERVICES PDS COMMITTEE APPOINTMENTS

1. PROPORTIONALITY OF SUB-COMMITTEE OF CARE SERVICES PDS COMMITTEE

RECOMMENDED that the following proportionality be agreed.

	<u>Size</u>	<u>Conservative</u>	<u>Labour</u>	<u>UKIP</u>
Health Scrutiny Sub-Committee	10	8	1	1

2. MEMBERSHIP OF SUB-COMMITTEE

RECOMMENDED that the following Schedule of Members to serve on the Sub-Committee of the Care Services PDS Committee be agreed.

(i) HEALTH SCRUTINY SUB-COMMITTEE

	<u>Councillors</u>
1	Ruth Bennett
2	Mary Cooke
3	Judi Ellis
4	Hannah Gray
5	David Jefferys
6	Catherine Rideout
7	Charles Rideout
8	Pauline Tunnickliffe
9	Kevin Brooks (LAB)
10	Terence Nathan (UKIP)
**	Plus Co-opted Members as appropriate

3. APPOINTMENT OF CHAIRMAN AND VICE CHAIRMAN

RECOMMENDED: that the following Councillors be appointed as Chairman and Vice Chairman of the Sub-Committee of the Care Services PDS Committee.

HEALTH SCRUTINY SUB-COMMITTEE	Judi Ellis	Pauline Tunnickliffe
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EDUCATION SELECT COMMITTEE APPOINTMENTS

1. PROPORTIONALITY OF SUB-COMMITTEE OF EDUCATION SELECT COMMITTEE

RECOMMENDED that the following proportionality be agreed.

	<u>Size</u>	<u>Conservative</u>	<u>Labour</u>	<u>UKIP</u>
Education Budget Sub-Committee	6	5	1	0

2. MEMBERSHIP OF SUB-COMMITTEE

RECOMMENDED that the following Schedule of Members to serve on the Sub-Committee of the Education Select Committee be agreed.

(i) EDUCATION BUDGET SUB-COMMITTEE

	<u>Councillors</u>
1	Julian Benington
2	Nicholas Bennett
3	Alan Collins
4	Judi Ellis
5	Neil Reddin
6	Kathy Bance (LAB)

EXECUTIVE AND RESOURCES PDS COMMITTEE APPOINTMENTS

1. PROPORTIONALITY OF SUB-COMMITTEE OF EXECUTIVE AND RESOURCES PDS COMMITTEE

RECOMMENDED that the following proportionality be agreed.

	<u>Size</u>	<u>Conservative</u>	<u>Labour</u>	<u>UKIP</u>
Contracts Sub-Committee	7	5	1	1

2. MEMBERSHIP OF SUB-COMMITTEE

RECOMMENDED that the following Schedule of Members to serve on the Sub-Committee of the Education PDS Committee be agreed.

(i) CONTRACTS SUB-COMMITTEE

	<u>Councillors</u>
1	Simon Fawthrop
2	William Huntington-Thresher
3	Keith Onslow
4	Chris Pierce
5	Stephen Wells
6	Angela Wilkins (LAB)
7	1 vacancy (UKIP)

3. APPOINTMENT OF CHAIRMAN AND VICE CHAIRMAN

RECOMMENDED: that the following Councillors be appointed as Chairman and Vice Chairman of the Sub-Committee of the Executive and Resources PDS Committee.

CONTRACTS SUB-COMMITTEE	Stephen Wells	Chris Pierce
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Report No.
CSD16100

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: COUNCIL

Date: 4th July 2016

Decision Type: Non-Urgent Non-Executive Key

Title: CIVIC CENTRE DEVELOPMENT STRATEGY STAGE 2 REPORT:
BUSINESS CASE

Contact Officer: Graham Walton, Democratic Services Manager
Tel 020 8461 7743 E-mail: graham.walton@bromley.gov.uk

Chief Officer: Mark Bowen, Director of Corporate Services

Ward: Bromley Town Ward

1. Reason for report

1.1 At its meeting on 18th May 2016 the Executive considered the attached report on the Civic Centre Development Strategy. The Executive agreed the recommendations, with the addition of one further resolution authorising the Director of Corporate Services to seek advice from suitably qualified counsel on the covenants relating to the land. Council is recommended by the Executive to include the sum of £14.1m in the Capital Programme.

1.2 The Executive also considered a part 2 report with further details of the legal and financial implications.

2. **RECOMMENDATION**

That Council approves the inclusion of the sum of £14.1m in the Capital Programme (Option 2), which will be funded from capital receipts.

Corporate Policy

1. Policy Status: Existing Policy:
 2. BBB Priority: Excellent Council:
-

Financial

1. Cost of proposal: Estimated Cost: £14.1m
 2. Ongoing costs: Potential savings of £620k per annum
 3. Budget head/performance centre: Admin buildings – Bromley Civic Centre
 4. Total current budget for this head: £1.16m
 5. Source of funding: Existing controllable revenue budget 2016/17
-

Staff

1. Number of staff (current and additional): Not Applicable
 2. If from existing staff resources, number of staff hours: Not Applicable
-

Legal

1. Legal Requirement: None:
 2. Call-in: Not Applicable:
-

Customer Impact

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

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Yes
2. Summary of Ward Councillors' comments: Ward Councillor views are summarised in the attached report.

Non-Applicable Sections:	See attached report
Background Documents: (Access via Contact Officer)	See attached report Minutes of the Executive on 18 th May 2016

Decision Maker: Executive

Date: 18th May 2016

Decision Type: Non-Urgent Executive Key

Title: **CIVIC CENTRE DEVELOPMENT STRATEGY
STAGE 2 REPORT: BUSINESS CASE**

Contact Officer: Catherine Pimm, Head of Asset Management and Strategic Projects
Tel: 020 8461 7834 E-mail: Catherine.Pimm@bromley.gov.uk

Chief Officer: Director of Regeneration & Transformation

Ward: Bromley Town;

1. Reason for report

- 1.1 To inform members that a Development Strategy Stage 2 Report has been prepared which has refined and tested the Civic Centre option selected by the Executive at its meeting of 17 September.
- 1.2 To confirm that the option represents an affordable and implementable strategy that meets the Council's objectives and to recommend that this project is approved and added to the Capital Programme, subject to the approval of Full Council.

2. **RECOMMENDATIONS**

2.1 **Members are asked:**

- 1) to approve the Option 2 scheme that includes the retention of North Block, Stockwell Building and Reception and the demolition and rebuilding of the Adventure Kingdom to create a new Democratic Hub/ multi-purpose space.
- 2) to agree that the Palace and Council Chamber will not be retained
- 3) to approve the inclusion of the sum of £14.1m in the Capital Programme (Option 2), which will be funded from capital receipts, subject to the approval of Full Council.
- 4) to approve the procurement of the Project Delivery Team at a cost of £365k as set out in paragraph 3.50.

- 5) to approve the carry forward of general underspends totalling £200k to meet the cost of document management (see 3.17).**
- 6) to approve the area of open space delineated in Appendix 3 and to instruct officers to appropriate it for use as a park in accordance with the requirements of Section 122 of the Local Government Act 1972.**
- 7) to approve the boundary of the developable site area outlined in Appendix 3 and to instruct officers to appropriate the area to planning in accordance with the requirements of Section 237 of the Town and Country Planning Act at the appropriate time.**
- 8) to approve a conditional, subject to planning, disposal of the developable site area**
- 9) to approve the use of the consultancy services framework and contractor framework outlined in the report.**
- 10) to continue to make and follow up submissions and representations to the Development Plan (Local Plan) process.**

Corporate Policy

1. Policy Status: Existing Policy
 2. BBB Priority: Excellent Council
-

Financial

1. Cost of proposal: Estimated Cost: £14.1m
 2. Ongoing costs: Potential savings of £620k per annum
 3. Budget head/performance centre: Admin Buildings – Bromley Civic Centre
 4. Total current budget for this head: £1.16m
 5. Source of funding: Existing controllable revenue budget 2016/17
-

Staff

1. Number of staff (current and additional): Not applicable
 2. If from existing staff resources, number of staff hours: Not applicable
-

Legal

1. Legal Requirement: None
 2. Call-in: Applicable
-

Customer Impact

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

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Yes
2. Summary of Ward Councillors comments:

As ward members, our priorities for the Civic Centre site are:

- low density development, reflecting the family home character that surrounds the site on four sides.
- the upgrading of the civic centre gardens into a park with improved public access
- a careful approach to accessing the site, avoiding too much traffic on the narrow Rafford Way.

We therefore support the proposals for 61 houses with flats in the Palace; and for upgrading the gardens to a park.

Officers and the Executive have engaged us very well in the process of putting together these proposals and we look forward to working with them again in the next stage.

3. COMMENTARY

- 3.1 At the Executive on 17 September 2015, Members considered a Development Strategy for the Civic Centre site. Several options were proposed and the option to remain on site, occupy a smaller number of the existing buildings and to sell the remainder of the site was supported.
- 3.2 Members resolved that additional work should be undertaken to produce a more detailed Business Case for the selected option, which would enable the Executive to decide whether or not to proceed with its implementation. Consultants were reappointed to provide the services required to complete the Business Case. It was also decided that further work should be undertaken to identify the buildings for disposal and that all options should be considered.
- 3.3 The additional work required to produce a detailed Business Case was identified as follows:
- To clarify the Council's accommodation space needs and consider the location/ demand for ancillary and support space
 - To agree the extent and estimated cost of the capital works to Stockwell Building and Adventure Kingdom Building
 - To carry out financial modelling to identify construction, decant, IT and other costs and to assess anticipated receipts for disposal
 - To investigate the options for delivering the Document Management work stream
 - To prepare and submit landowner representations to the Consultation on the Draft Local Plan
 - To establish a landowner development brief
 - To carry out a condition survey to inform further business plan work
 - To carry out a desktop archaeological survey
 - To agree the basis on which surplus land will be sold
 - To establish clarity regarding any legal constraints and decide the appropriate action to be taken
 - To establish clarity regarding the boundary and access arrangements for the park land
- 3.4 This additional work has been carried out and the consultant has worked closely with the Civic Centre Project Board to produce the Development Strategy Stage 2 Report.
- 3.5 The Development Strategy Stage 2 Report has confirmed that the Civic Centre Redevelopment is an affordable and implementable strategy that meets Council objectives. The Executive is recommended to approve the Option 2 scheme that includes the retention of North Block, Stockwell Building and Reception and the demolition and rebuilding of the Adventure Kingdom to create a new Democratic Hub/ multi-purpose space. It is further recommended that the Palace and Council Chamber are not retained and that the boundaries of the park land and the developable site area shown in Appendix 3 are approved.
- 3.6 Members are also asked to approve that the surplus site is marketed in accordance with the consultant's recommendations and that the project is included in the capital programme and funded from capital receipts.
- 3.7 The key findings from the report that are outlined in the following sections substantiate the above recommendations.

Buildings to be Retained

- 3.8 The Development Strategy proposed the retention of North Block, Stockwell Building, Reception and a reconfigured Adventure Kingdom. Members requested a further review of the buildings to be retained and in particular to look at the option of retaining the Palace and Council Chamber and the impact on the Business Case.

3.9 The consultant has carried out further analysis on the retention of the Palace and Council Chamber. The Business Case for retaining the Palace and Council Chamber (with West Wing which links the two buildings) is not supported. Indeed the advice of the consultant is that retention would have a negative effect on values and redevelopment for the following reasons:

- Fragmentation of the surplus site area with a lack of separation between public access areas and residential development
- Fragmentation and poorer quality of development on Adventure Kingdom site with consequent loss of site value
- Adverse revenue and capital implications, such as reduction in annual revenue savings of £200k and backlog maintenance costs in the region of £2m
- A missed opportunity to improve the setting for the listed Palace as the retention of the Council Chamber would also necessitate the retention of the West Wing
- No opportunity to re-provide functions lost from the Great Hall or exploit income opportunities from Adventure Kingdom Building

Stockwell Building and Democratic Hub

3.10 Approximately 44% of North Block is occupied by third party providers, which reduces the space available for LBB staff. However third party occupation must be retained as it provides an essential income stream.

3.11 The consultant has also considered alternative provision of the democratic spaces if the Palace and Council Chamber are not retained. It is proposed that a new Democratic Hub is created on the site of Adventure Kingdom. Two options have been considered for the Democratic Hub: refurbishment of the existing building and demolition and rebuild.

3.12 Refurbishment will provide a like for like replacement of space, but it has a number of disadvantages, as the structural frame of the building will restrict the design and offer less flexibility of use.

3.13 The Demolition and rebuild option provides an opportunity to construct a two storey building with a single storey Council Chamber/ multi-purpose venue with café linked to an external garden. This option provides more floor area, versatility and income generation potential. It could also cater for some of the events that will be displaced from the Great Hall. The consultant recommends this option, which has been endorsed by Members and Directors at the workshops and other consultation events. A new building will provide a high quality venue that benefits the public as well as the Council and create a better gateway to the Civic Centre.

Office Accommodation

3.14 One of the key drivers for this project is the anticipated reduction in staff numbers as a result of the commissioning agenda and its impact on future office requirements. An FTE of 1,000 staff has been assumed and the consultant has reviewed accommodation requirements looking at workstations, third party occupiers and ancillary and support spaces. The anticipated staff numbers can be accommodated, but it will be necessary to increase the density of occupation in Stockwell Building. Refurbishment and reconfiguration works will be required in Stockwell Building to increase the number of workstations and provide additional meeting rooms. A minimum of 70 additional workstations will be required. Increasing the capacity of the building will require a new furniture layout with desks of a different profile, new IT infrastructure, additional toilet and refreshment facilities and alterations to mechanical and electrical equipment, including the provision of mechanical ventilation. It will also be necessary to

introduce agile working and to reduce ancillary and support spaces. The workshop with Directors, informed by the consultant's accommodation analysis, concluded that:

- Key third party occupants can be retained and rental income maintained
- 70% desk provision is feasible (i.e. 7 desks for 10 staff)
- 50% reduction in meeting rooms is feasible provided that some informal meeting spaces are provided
- Chief Executive and Directors only will have their own offices, although consideration will be given to offices for sexual health and child protection
- Essential ancillary and support spaces have been identified and opportunities to rationalise them considered
- Paper filing can and must be reduced
- The loss of 175 car parking spaces can be managed

Document Management

3.15 The amount of storage space used for paper files must be reduced significantly. It will be necessary to reduce paper files in two tranches: prior to decanting staff so that building works can proceed and prior to re-occupation of the refurbished buildings.

3.16 Departments who will be affected by any moves have been asked to review their document management strategies and consider which of their files can be destroyed, sent to off-site storage or scanned. Electronic storage is being encouraged for the future and the Civic Centre review interfaces with work currently being undertaken by I S Services.

3.17 Human and financial resources will be required to organise, archive and scan files. It is proposed to fund this work stream outside the scope of the Civic Centre project and commence work on it immediately. General underspends were reported in the 'Budget Monitoring 2015/16' report to the Executive meeting on 23 March 2016. Members are requested to approve the carry forward of underspends, totalling £200k to meet these costs. Once the details of the costs are identified, the final release of the monies will be subject to the approval of the Resources Portfolio Holder.

CCTV Monitoring

3.18 The CCTV Monitoring Station will have to be relocated as part of this project. It is proposed to move the monitoring station to another operational site within the Council's ownership.

Condition Survey

3.19 When considering whether or not to retain a building, it is essential to establish its future maintenance costs. A condition survey was carried of the Civic Centre buildings in December 2015. The survey assessed the condition of the building, mechanical and electrical elements of each building and the remaining life of those elements. It also estimated that the maintenance costs over the next 10 years will be £13.9m of which £5.4m is considered to be required immediately (i.e. backlog maintenance). The cost for each building is shown in Appendix 1 and the breakdown of the backlog maintenance costs is shown in the table below:

Block	Backlog/Required Maintenance 2015 £'000
Anne Springman	507
Hut	59
Joeseeph Lancaster Hall	637
North Block	33
North Lodge	101
Old Palace/East & West Wings	1,673
Rochester Block	1,254
Site	20
St Blaise Building	681
Stockwell Building	415
Total	5,380

Financial Modelling

3.20 Further financial modelling was undertaken to inform the Stage 2 Business Case. The process is outlined below and the financial details are provided in Section 5 of this report and in the Part 2 report.

3.21 The financial modelling undertaken to inform the original Development Strategy identified potential savings, estimated capital expenditure and estimated capital receipts. It indicated that significant revenue savings could be achieved as a result of reducing the number of buildings occupied. It also indicated that the capital receipt obtained from the sale of the site could fund the construction and associated works required to deliver a reconfigured Civic Centre. The initial financial assumptions have been refined and re-tested and the conclusions of the Development Strategy have been confirmed.

Revenue Savings

3.22 The estimated annual (building related) costs for the Civic Centre were assessed. If this project proceeds, the floor area of the Civic Centre will be reduced by 44%. The savings that would result from occupying fewer buildings were calculated on a m² pro rata basis. There are other costs associated with running the Civic Centre, but they have been assumed to be cost neutral at this stage, although they might also reduce as a result of the smaller footprint.

Capital Expenditure

3.23 The consultant produced floor plans for a reconfigured Stockwell Building and for the two Democratic Hub options. The estimated cost of construction works were calculated based on these floor plans. The buildings that will be retained are connected to neighbouring buildings and services are interlinked between them. An allowance for demolition and separation of services has been made.

3.24 As well as construction costs, other associated costs have also been assessed under the following headings;

- Professional Fees
- Surveys
- Statutory and Other Costs
- Furniture
- Decant Costs
- Reoccupation of refurbished buildings
- Decommissioning empty buildings
- Relocation of ancillary services
- IT/Telephony/Data
- Contingency

Potential Capital Receipt

3.25 The consultant identified a developable site area taking into account the proposed Civic buildings, the park land, the site constraints, the setting of the Palace and other listed structures and the surrounding area. Alternative master plans were produced to show a variety of dwelling types and densities that would “fit” into the developable area. The purpose of the master plans is to show how the site could be redeveloped and to assess the potential capital receipts that could be obtained from different types of redevelopment. The following master plans were produced:

Town house Option: 50 units plus 12 apartments in Palace

Town House Option: 61 units plus 12 apartments in Palace

Mixed Residential and Disposal of Palace/ West Wing/ Council Chamber: 153 units (139 apartments and 14 town houses)

Mixed Residential and Retention of Palace/ West Wing/ Council Chamber: 147 units (133 apartments and 14 town houses)

3.26 The master plans assume that the Palace will be converted into apartments as this is likely to be the most popular and higher value option. However alternative uses for the Palace might be considered by developers, who will be invited during the marketing process to consider alternatives, such as hotel use.

3.27 The range of capital receipts for master plan options has been assessed and the details are included in the Part 2 report. The level of capital receipt will be dictated by the density of redevelopment permitted on the developable site area. It is evident that the higher density town house and apartment schemes are more likely to realise higher capital receipts.

3.28 As part of the stakeholder engagement, the master plans were discussed extensively with Members. At the workshops and at subsequent meetings, they indicated that they want to be able to control any re-development on the site. They further expressed the opinion that high density apartment schemes would not be in keeping with the site setting and constraints and they expressed a strong preference for the town house schemes.

Planning Considerations

- 3.29 At present, the planning policies are set out in the Development Plan comprising the London Plan, UDP and Bromley Town Centre Area Action Plan. It was agreed by the Executive at its meeting on 17 September 2015 that the Council in its capacity as landowner would make a planning representation as part of the Local Plan process. The planning representation has been submitted and the consultant has provided supplementary information to the Call for Sites Form previously submitted. This reflects the changing circumstances of the Civic Centre site.
- 3.30 An extract from the landowner representation as submitted is included as Appendix 2.
- 3.31 It is anticipated that the draft Local Plan will be further considered by the Council and submitted to the Secretary of State at the end of this year and in due course adopted in 2017. There will be degrees of uncertainty until the Local Plan is adopted and/or a planning permission is granted.

Boundary of Developable Site Area and Park Land

- 3.32 The consultant has identified a developable site area as shown outlined in red in Appendix 3.
- 3.33 Parts of the Civic Centre site have been used as public open space for many years. However there is no official park designation, nor any clear boundary. The boundary needs to be clarified prior to marketing the site and the proposed boundary is shown outlined in blue in Appendix 3.
- 3.34 The proposed boundaries for the developable land and the park land were supported during stakeholder engagement activities and Members are recommended to approve the boundaries shown in Appendix 3.
- 3.35 Members are also recommended to approve that officers seek to appropriate the area of open space delineated in Appendix 3 for use as a park under Section 122 of the Local Government Act 1972 and to carry out any necessary actions prescribed by the legislation. A further report will be submitted to the Executive once the necessary actions have been taken.
- 3.36 As the Council is retaining the park land, consideration will have to be given to how it should be managed and the Council will need to reserve public rights of way to the park land across any land sold for development.

Archaeology

- 3.37 An archaeological desk-based assessment was carried out in January 2016 to assess the significance of archaeological assets and consider the archaeological potential of the site. This assessment was carried out in order to establish if there are any archaeological assets that would impact on the area available for redevelopment, which could in turn affect the capital receipt potential. The assessment has not given rise to any major concerns.

Legal Constraints

- 3.38 There are a number of covenants affecting the site. Investigations into the covenants have been undertaken and it has been concluded that up to 186 private dwelling houses could be constructed without breaching the covenants. To avoid any future ambiguity and to resolve any other restraints that may be identified by a developer (eg rights of light issues) it may be advisable for the Council to appropriate the area to be redeveloped under Section 237 of the Town and Country Planning Act 1990. It is recommended that officers prepare a report to appropriate the area if required by a developer of the site.

Disposal Options

3.39 As part of the Development Strategy, the consultant outlined four possible disposal options:

- Freehold Sale via Conditional Contract
- Development Agreement including Retention of some New Development
- Joint Venture

3.40 These options were examined in further detail by the consultant and the benefits and risks of each are outlined in the Stage 2 Report. Following soft market testing, the consultant has advised that there would be significant market interest in the site, provided that the most suitable marketing option is chosen. In order to attract high quality developers the consultant recommends a conditional, subject to planning disposal. He further recommends that the site should be free from encumbrances, i.e. any legal constraints such as covenants or rights of light should be resolved by appropriating to planning as outlined in previous sections. If a purchaser does ask the Council to appropriate in the event that any such constraints are found to exist this is usually dealt with by including a provision in the contract agreeing that if required a report will be put to members asking for approval to appropriate the site to overcome any such restraints identified.

3.41 In order to maintain control over the redevelopment, but avoid an OJEU compliant procurement, the Council could market the site with a well worded disposal brief setting the planning context and aspirations for quality and density. This would allow the Council to assess any bids on quality and price.

Stakeholder Engagement

3.42 After the consultant carried out some preliminary work, a number of workshops, presentations and briefings were arranged for Cabinet, Ward Councillors and Chief Officers. Their purpose was to give these stakeholders an opportunity to establish key principles and to steer the work being undertaken by the consultant.

3.43 The workshop with the Directors focussed on accommodation requirements and considered some key questions about work stations, ancillary and support spaces, third party occupation and democratic spaces. The key principles agreed by Directors about the office accommodation are outlined in paragraph 3.14.

3.44 The workshop for Members had a slightly different focus and considered the buildings to be retained, options for the Democratic Hub and its potential for multi-purpose use and income streams, the park boundary, the density of redevelopment, legal and planning constraints and the refurbishment of Stockwell Building.

3.45 Members expressed a clear preference for a lower density, high quality town house redevelopment, which would be in keeping with the surrounding area and the listed building and structures. They expressed a strong inclination to exercise control over any redevelopment of the site and indicated that any capital expenditure should be contained within the capital receipt for the site.

3.46 Members and Directors both supported the option to demolish and rebuild Adventure Kingdom and provide a Democratic Hub that could be a resource for the public as well as the Council.

Programme

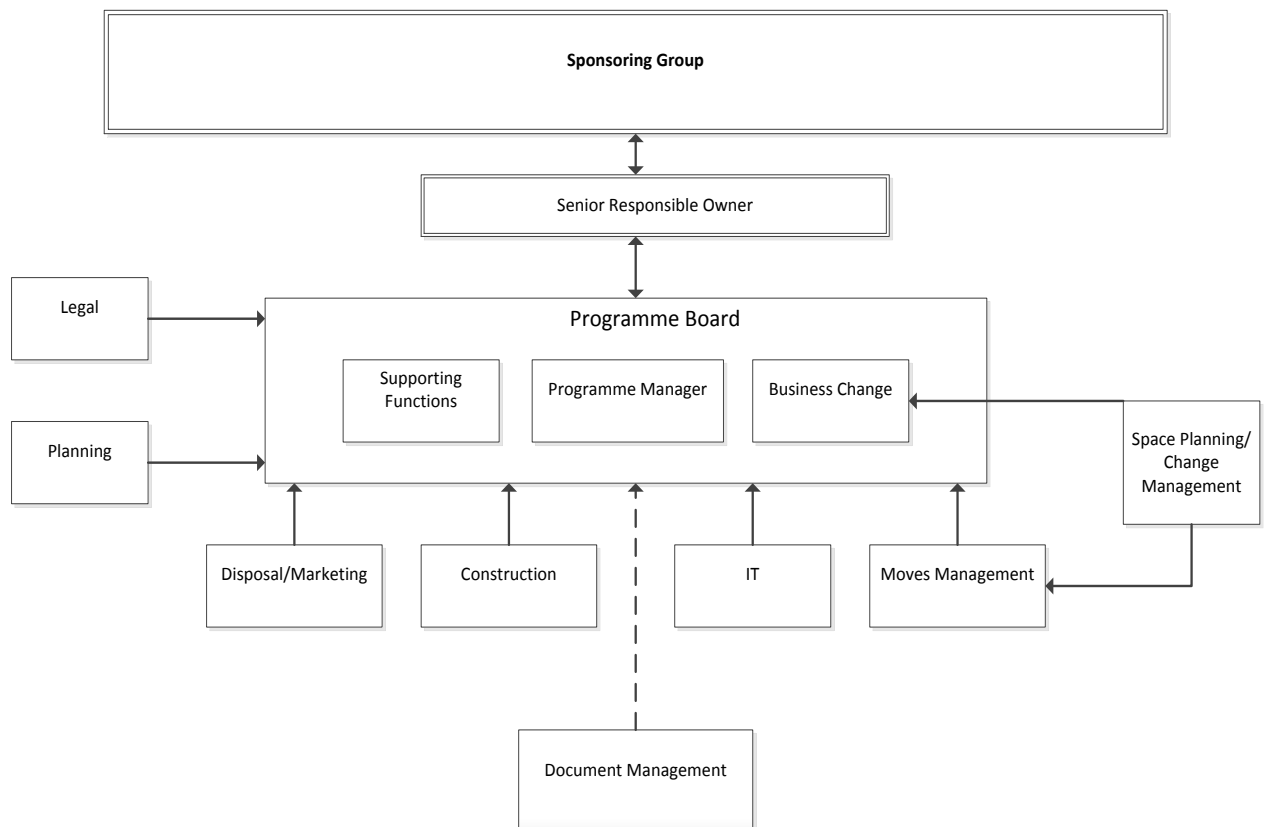
3.47 An Indicative programme for the works has been prepared and is shown in Appendix 4. The consultant recommends two concurrent activities: Marketing of the Site and Design Development/ Tender for Construction Work. Some of the key project milestones are as follows:

Task	Completion Date
Marketing of Site	March 2017
Decant of Staff	June 2017
Design Development/ Tender	June 2017
Construction	September 2018

3.48 The project is impacted by the Local Plan review, which is taking place in parallel, but independently of this project.

Delivery Team

3.49 Delivery of this scheme is going to be very complex and an integrated approach will be required with a dedicated team to deliver it. As it will involve a range of projects/ work streams/activities which together will deliver the changes and as it interfaces with other Council activities such as the Local Plan review and Store IT project, it is proposed that a Programme Board will be set up. The following organisation chart shows the proposed composition of the team, which will include LBB staff and consultants.



3.50 It is not possible to deliver this project from current staff, but additional resources are required as follows:

Role	Status	Basis of Cost	Estimated cost £'000s
Space Planning/Change Management	Consultant	One off cost	30
Project Manager-Construction Project	LBB fixed term contract	MG6 for 3 years including on costs	155
Project Manager-IT	Consultant	2 days per week for 104 weeks @ £400 per day	80
Admin/Technical Support	LBB fixed term contract	BR8 for 3 years including on costs	100
TOTAL			365

Procurement

- 3.51 The procurement of the consultancy services required for this project will be impacted by the Council's decision on whether or not to sign up to Amey's Total Facilities Management Framework. At its meeting of 23 March, the Executive deferred its decision about the proposed Total Facilities Management Contract. If the contract is accepted, then early discussions with the framework suppliers need to be undertaken to determine how the delivery team will be appointed.
- 3.52 If the contract is not accepted or there is delay to its commencement that will have an adverse impact on the programme, then procurement may have to commence anyway and be governed by the Council's Contract Procedure Rules.
- 3.53 The Public Contracts Regulations 2015 incorporate new EU and UK Regulations which have changed the procedures that must now be followed when procuring public sector contracts. For a project of this value an OJEU compliant process will have to be undertaken.
- 3.54 An alternative to OJEU is using a framework. Frameworks are usually available to public sector bodies, often within a geographical area, and the contractors on the framework are selected via an EU compliant tendering process.
- 3.55 LB Bromley uses a number of frameworks and officers recommend the one most appropriate for a particular project. The current frameworks may not be suitable for this type of project and it is recommended that the Council signs up to the Kent County Council's Consultancy Framework Agreement. Users of this framework will be expected to pay an annual fee of £500 and there is a £0.75% final fee amount per project.
- 3.56 A framework could also be used to procure a contractor. L B Bromley has signed the Access Agreement to the Major Works 2014 (LCP W1-MW14) Framework Agreement. The Framework covers projects from £100k to £5m plus. Officers have assessed the framework for use for capital projects and consider it to be suitable. It is recommended that it is considered as an option for procuring the contractor. There are a number of other contractor frameworks that will also be assessed for suitability.

Project Risks

- 3.57 There are a number of project risks, which will have to be monitored or mitigated as the project progresses. The risks and mitigating action is outlined in the following table:

Risk	Action
Ensuring that the Capital receipt covers the capital expenditure	If the marketing of the site and the design work is carried out concurrently, the Council could obtain a subject to planning purchase price by end of 2016 before it places the contract for the construction works.
Receipt conditional on planning	To assess development proposals against adopted Development Plan policy, to review the progress of the Development Plan review, to apply for planning permission and include project break clauses or review points
Inappropriate marketing strategy	Undertake a conditional, subject to planning, disposal of site free from encumbrances as advised by consultant.
Demonstrating best value in disposal of assets.	Site to be marketed with a landowner disposal brief. Evaluation of offers to include an assessment of whether best value can be demonstrated.

4. POLICY IMPLICATIONS

4.1 The Council is facing challenging economic times and has to make significant savings from the budget over the next few years. It is also seeking to achieve the rejuvenation of its Town Centres. Two of the strategies that will contribute to meeting these key challenges are:

- The Council's vision for delivering services as expressed in its Corporate Operating Principles
- A robust property review process accompanied by an active acquisition and disposal programme.

4.2 The Council has outlined its future vision for the delivery of its services in Building a Better Bromley's Corporate Operating Principles. The Corporate Operating Principles describe the Council as a commissioning organisation and states its intention "to deliver services by testing the benefits of:

- Having our services delivered by others
- Commissioning in partnership with others
- Delivering services in partnership with others
- Delivering services on behalf of others"

4.3 The Council's Development Plans set out the current planning policies and these can be used as a basis for planning decisions. To reflect the changing circumstances, submissions have been made to the draft Local Plan process.

4.4 The commissioning process is underway with many services being soft market tested or tendered at the moment. The commissioning of services will impact on the Council's future office requirements, particularly at the Civic Centre as it is anticipated that the number of staff will reduce significantly.

5. FINANCIAL IMPLICATIONS

5.1 The purpose of the Stage 2 report was to confirm the likely capital expenditure required for the proposed changes to the Civic Centre site and also to verify the on-going revenue savings that could be realised.

- 5.2 It is estimated that the likely revenue savings will be 44% of the current building related costs of £1.4m, which would equate to £620k per annum.
- 5.3 The capital costs will vary depending on what is proposed for the Adventure Kingdom building. The consultant has considered alternative provision of the democratic spaces if the Palace and Council Chamber are not retained and it is proposed that a new Democratic Hub is created on the site of Adventure Kingdom. Two options have been considered for the Democratic Hub: refurbishment of the existing building and demolition and rebuild.
- 5.4 The estimated costs of both options are shown in the table below: -

Description	Option 1	Option 2
	Adventure Kingdom Refurbishment £'000	Adventure Kingdom Demolition & Rebuild £'000
Indicative construction works	8,156	9,454
Professional fees	1,060	1,226
Surveys	74	74
Statutory & other costs	120	120
Furniture	300	300
Decant costs	183	183
Reoccupation of refurbished buildings	60	60
Decommissioning empty buildings	160	160
Relocation of ancillary services	500	500
IT/Telephony/Data costs	670	670
Project team	365	365
Contingency at 10% of build costs	816	945
Total estimated costs	12,464	14,057

- 5.5 The Demolition and rebuild option provides an opportunity to construct a two storey building with a single storey Council Chamber/ multi-purpose venue with café linked to an external garden. This option provides more floor area, versatility and income generation potential. It could also cater for some of the events that will be displaced from the Great Hall. The consultant recommends this option, which has been endorsed by Members and Directors at the workshops and other consultation events. A new building will provide a high quality venue that benefits the public as well as the Council and create a better gateway to the Civic Centre.
- 5.6 The recommended option is therefore Option 2 with an estimated cost of £14.1m.

- 5.7 The consultant has estimated a range of capital receipts for the developable area of the site based on the alternative master plans outlined in section 3.
- 5.8 If this project is approved, it is proposed that the sum of £14.1m is included in the Council's Capital Programme and will be funded from capital receipts.
- 5.9 The estimated additional cost for the project team included in the overall project cost is £365k and comprises of 2ftes and additional consultancy services (see 3.50).
- 5.10 It is also recommended to carry forward a sum of £200k from the general underspends in the 2015/16 budget to meet the estimated costs of document management.

6. LEGAL IMPLICATIONS

- 6.1 These are mainly set out in the body of the report.
- 6.2 In addition, there are a number of tenants and licensees, who occupy accommodation in the Civic Centre buildings. In some cases, where the Council is no longer able to accommodate them, their occupation will have to be terminated in accordance with the terms and conditions of their leases or licences.

7. PERSONNEL IMPLICATIONS

- 7.1 Staff and their representatives will be properly consulted as necessary on the general and individual specific implications including disability related reasonable adjustments arising from the project.
- 7.2 The Delivery Team will comprise mainly of existing LBB staff or consultants, although some temporary staff might be employed for short periods to assist with the document management work stream.

Non-Applicable Sections:	[List non-applicable sections here]
Background Documents: (Access via Contact Officer)	Civic Centre for the Future, Report to Executive, 25 March 2015 (Part 2 Report) Civic Centre Development Strategy, Report to Executive, 17 September 2015 (Parts 1 and 2 reports) Civic Centre Development Strategy, July 2015 (Montagu Evans LLP) Archaeological Desk Based Assessment January 2016 (CGMS Consulting) Physical Condition Survey December 2015 (The Oakleaf Group)

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APPENDIX 1

Summary of Civic Centre Maintenance Costs

Block	Year											Grand Total
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	
Anne Springman Hall	£507,490.00		£400.00	£34,100.00	£105,000.00	£301,800.00			£600.00	£800.00	£255,720.00	£1,205,910.00
Hut	£59,420.00		£2,150.00								£9,600.00	£71,170.00
Joseph Lancaster Hall	£637,060.00		£22,150.00			£467,750.00		£7,000.00			£97,580.00	£1,231,540.00
North Block	£32,750.00		£31,080.00	£1,200.00	£14,840.00	£77,600.00					£425,440.00	£582,910.00
North Lodge	£100,727.60		£1,350.00	£1,200.00		£2,589.60					£9,539.60	£115,406.80
Old Palace/East and West Wings	£1,672,480.00	£18,400.00	£285,990.00	£168,990.00	£19,200.00	£277,550.00	£24,336.00	£35,800.00	£21,800.00	£18,000.00	£2,635,530.00	£5,178,076.00
Rochester Block	£1,254,032.40		£78,229.20	£49,899.60	£15,500.00	£143,812.80	£200.00	£5,000.00	£4,800.00	£11,000.00	£600,070.80	£2,162,544.80
Site	£20,000.00										£256,000.00	£276,000.00
St Blaise Building	£681,070.40		£78,281.04	£22,080.44	£2,923.44	£415,375.61		£3,950.00	£977.08	£8,200.00	£136,545.60	£1,349,403.61
Stockwell Building	£414,725.60	£500.00	£53,672.00	£58,034.40	£2,309.60	£237,240.40	£1,124.00	£3,500.00	£102,700.00	£500.00	£873,009.20	£1,747,315.20
Grand Total	£5,379,756.00	£18,900.00	£553,302.24	£335,504.44	£159,773.04	£1,923,718.41	£25,660.00	£55,250.00	£130,877.08	£38,500.00	£5,299,035.20	£13,920,276.41

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APPENDIX 2 - PLANNING PRINCIPLES PLAN



North
 No. Date: 01/04/2011
 No. Rev: 01
 Client: Bromley Council
 Project Name: Bromley Civic Centre
 Project No: SK-00-050
 Scale: 1:1000
 Drawing No: B

Halder
 100, High Street, Bromley, Kent, SE18 6JF
 Tel: 0181 606 2000
 Fax: 0181 606 2001
 Email: info@halder.co.uk
 Website: www.halder.co.uk

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APPENDIX 3 - PROPOSED BOUNDARY LINES



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Appendix 4
Indicative Programme



Programme



Indicative Programme

	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019
■ <u>LBB</u> Exec Approval to Strategy		◆													
■ Stage 2 Business Case		■	■	■											
■ <u>LBB</u> Exec Approval/Commence Decant Strategy				◆											
■ Design Development/Tender					■	■	■	■							
■ Planning Application for Democratic Hub						■	■	■							
■ Office Decant							■	■	■						
■ Contractor Award Appointment									■						
■ Stockwell Building/Adventure Kingdom										■	■	■	■	■	
■ Practical Completion – Adventure Kingdom														◆	
■ Practical Completion - Stockwell <u>Bld</u>														◆	
■ Marketing Strategy for Site															
■ Disposal Strategy Approved			◆												
■ Marketing Phase Including Competition					■	■									
■ Select Developer <u>LBB</u> Approvals							◆	■							
■ <u>Legals</u>								■	■	■					
■ Planning Application									■	■	■	■			
■ Planning Decision													◆		
■ Agreement goes u/c First Phase														◆	
■ First Phase on Site															◆

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Report No.
CSD16082

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: COUNCIL

Date: 4th July 2016

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

Title: POOLING OPTIONS

Contact Officer: Graham Walton, Democratic Services Manager
Tel 020 8461 7743 E-mail: graham.walton@bromley.gov.uk

Chief Officer: Mark Bowen, Director of Corporate Services
Peter Turner, Director of Finance

Ward: Not Applicable

1. Reason for report

- 1.1 The Pensions Investment Sub-Committee and General Purposes and Licensing Committee have both considered the attached report on "Pooling Options" and recommended that the Council joins the London collective Investment vehicle (CIV). At the meeting of Pensions Investment Sub-Committee on 19th May 2016 a further recommendation was agreed as follows:

Officers be authorised to provide the formal recommendation to Council on 4th July 2016 to join the London CIV following completion of specific legal and technical processes.

That work has been completed and the formal recommendations are set out below.

2. RECOMMENDATIONS

2.1 That Council:

- (1) **Join the London Councils' Pensions CIV Sectoral Joint Committee, established under Regulation 11 of the Local Authorities (Arrangement for the Discharge of Functions) (England) Regulations 2012 (pursuant to the existing London Councils Governing Agreement dated 13 December 2001 (as amended)) to act as a representative body for those local authorities that resolve to participate in these arrangements (or in the alternative, should all 33 London authorities resolve to participate, that London Councils' Leaders' Committee exercise these functions and the Governing Agreement be varied accordingly;**

- (2) Delegate to the Joint Committee those functions necessary for the proper functioning of the Company, including the effective oversight of the ACS Operator;**
- (3) Appoint the Chairman of Pensions Investment Sub-Committee to the Joint Committee who will also have power to act for the Council in exercising its rights as a shareholder at any General Meetings of the Company.**
- (4) Subscribe to one, £1 ordinary A share in the capital of the Company, having the rights set out in the Articles of Association and Shareholders Agreement; (both documents are available in the Members Room);**
- (5) Contribute to the Company's Regulatory Capital requirements by way of a subscription to £150,000 £1 non-voting B shares in the capital of the Company, having the rights set out in the Articles of Association and Shareholders agreement; and**
- (6) Contribute £100,000 consisting of the start up, early operating costs (£75,000) and annual membership cost commencing in 2016/17 of £25,000;**
- (7) Note that there will be future savings generated through lower Investment Manager fees which the London CIV indicate will more than cover the costs of entry and the annual running costs and thus deliver ongoing cost reductions to the Pension Fund.**

Corporate Policy

1. Policy Status: Existing Policy: The Council's Pension Fund is a defined benefit scheme operated under the provisions of the Local Government Pension Scheme (LGPS) Regulations for the purpose of providing pension benefits for its employees. The LGPS (Management and Investment of Funds) Regulations 2009 allow local authorities to use all the established categories of investments (e.g. equities, bonds, property etc) and to appoint external investment managers who are required to use a wide variety of investments and to comply with certain specific limits.
 2. BBB Priority: Excellent Council:
-

Financial

1. Cost of proposal: Estimated Cost: Set up costs (see section 5 of the attached report)
 2. Ongoing costs: Recurring Cost: Total administration costs estimated at 33.0m (includes fund manager/actuary/advisor fees, Liberata charge and officer time.)
 3. Budget head/performance centre: Pension Fund
 4. Total current budget for this head: £34.7m expenditure (pensions, lump sums etc); £40.7m income (contributions, investment income, etc); £745.8m total fund market value at 31st March 2016)
 5. Source of funding: Contributions to Pension Fund
-

Staff

1. Number of staff (current and additional): 0.4fte
 2. If from existing staff resources, number of staff hours: c. 14 hours per week.
-

Legal

1. Legal Requirement: Statutory Requirement: Local Government Pension Scheme (LGPS) Regulations
 2. Call-in: Not Applicable:
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): 6,234 current employees; 5,084 pensioners; 5,287 deferred pensioners as at 31st March 2016.
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? No
2. Summary of Ward Councillors comments: Not applicable

3. COMMENTARY

- 3.1 There is an established structure that the London CIV has put into place in the form of a Sectoral Joint Committee together with an Investment Advisory Committee.
- 3.2 Full Council is being asked to agree that the Council should join the joint committee and to appoint an elected Councillor to it. The Director of Corporate Services confirms that the statutory authority for these recommendations can be found in the Local Government Act 1972 and The Local Authorities [Arrangements for the Discharge of Functions] [England] Regulations 2012.
- 3.3 Section 102[1] [b] of the 1972 Act provides that two or more local authorities may appoint a joint committee of those authorities for the purpose of discharging their functions which in this case are non-executive. Section 102[2] of the Act provides that the number of members of the joint committee, their term of office and the area [if restricted] within which the joint committee is to exercise its authority are to be fixed. These provisions are endorsed in Regulation 11[5] of the 2012 Regulations.
- 3.4 The London CIV has established a company, London LGPS CIV Limited, with an Authorised Contractual Scheme structure, for the purpose of managing assets. The company was incorporated on 17 July 2014 and formally adopted by way of a written resolution passed on 9 October 2015.
- 3.5 The Council will, if it agrees the recommendations in this report, be required to subscribe to one £1 ordinary share in the capital of the company and on the basis that it does so, it will need to fully comply with the terms of the company's Articles of Association and a Shareholders Agreement. The Director of Corporate Services has carefully perused these documents, which are in standard form, and advises that there is nothing to prevent the Council from being bound by them.

Non-Applicable Sections:	Policy/Financial/Legal/Personnel
Background Documents: (Access via Contact Officer)	See attached reports. Draft Minutes of Pensions Investment Sub-Committee on 19 th May 2016 and General Purposes and Licensing Committee on 24 th May 2016.

Decision Maker: Pensions Investment Sub-Committee
General Purposes and Licensing Committee
Council

Date: 19th May 2016
24th May 2016
4th July 2016

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

Title: **POOLING OPTIONS**

Contact Officer: Peter Turner, Director of Finance ,
Tel: 020 8313 4668 E-mail: peter.turner@bromley.gov.uk

Chief Officer: Director of Finance

Ward: All

1. Reason for report

This report provides an update to the "Pooling Options" report considered at the last meeting of this committee on 11th February 2016 (previous report attached) and Members are requested to commit to joining the London Collective Investment Vehicle (CIV). The Government requires that a final commitment is made by 15th July 2016.

2. **RECOMMENDATION(S)**

2.1 **The Sub-Committee is asked to:**

Recommend to Council that the Council joins the London CIV.

Corporate Policy

1. Policy Status: Existing policy. The Council's Pension Fund is a defined benefit scheme operated under the provisions of the Local Government Pension Scheme (LGPS) Regulations for the purpose of providing pension benefits for its employees. The LGPS (Management and Investment of Funds) Regulations 2009 allow local authorities to use all the established categories of investments (e.g. equities, bonds, property etc) and to appoint external investment managers who are required to use a wide variety of investments and to comply with certain specific limits.
 2. BBB Priority: Excellent Council.
-

Financial

1. Cost of proposal: Estimated cost Set up costs (see section 5)
 2. Ongoing costs: Recurring cost. Total administration costs estimated at £3.0m (includes fund manager/actuary/advisor fees, Liberata charge and officer time)
 3. Budget head/performance centre: Pension Fund
 4. Total current budget for this head: £34.7m expenditure (pensions, lump sums, etc); £40.7m income (contributions, investment income, etc); £745.8m total fund market value at 31st March 2016)
 5. Source of funding: Contributions to Pension Fund
-

Staff

1. Number of staff (current and additional): 0.4 FTE
 2. If from existing staff resources, number of staff hours: c 14 hours per week
-

Legal

1. Legal Requirement: Statutory requirement. Local Government Pension Scheme (LGPS) Regulations
 2. Call-in: Call-in is not applicable.
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): 6,234 current employees; 5,084 pensioners; 5,287 deferred pensioners as at 31st March 2016
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? No.
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

- 3.1 Details of the pooling options consisting of the London Collective Investment Vehicle (CIV) and ACCESS were reported to the last meeting and the report is attached in Appendix 1.
- 3.2 At the last meeting, Members agreed that the Director of Finance, in consultation with the Chairman and Vice Chairman submit the formal first stage consultation response incorporating views expressed at the meeting and reflecting the outcome of a follow up meeting with two local authorities (see 3.3). The key principles reported to the meeting were also amended to include joining a pool with member authorities having a similar funding level.
- 3.3 Prior to finalising the consultation response, the Chairman and Vice Chairman of Pensions Investment Sub-Committee, Director of Finance and Resources Portfolio Holder met separately with:
- (a) Wandsworth's Chairman of their Pensions Committee, Resources Portfolio Holder and Director of Finance (Members of London CIV);
 - (b) Kent County Council's Chairman of Pensions Committee and lead officer on pension matters (Members of ACCESS).

The outcome of these meetings is reflected in the consultation response. Wandsworth felt comfortable that joining the London CIV would not impact on their pensions fund performance whilst providing savings in management fees. There remained uncertainty on the awaited outcome of voting rights for the ACCESS pool (e.g. proportionate to fund value, equal voting rights etc.).

- 3.4 The consultation response was submitted on 19th February 2016 and was also circulated by email to Members of the Pensions Investment Sub-Committee. The consultation response is attached in Appendix 2.
- 3.5 The consultation response also covered proposed changes to the pension regulations. It is worth noting that the proposed regulations enable a Direction from the Secretary of State in terms of where to invest in the future (e.g. infrastructure). The proposals also cover powers for the Secretary of State to intervene if councils do not pool their investments which was expected.
- 3.6 The consultation response from the Council referred to being minded to join the London CIV but to retain the option to be able to join more than one pool.
- 3.7 The consultation response includes Bromley's concerns about the affordability of the pension scheme and issues relating to outsourcing although this is outside the scope of what is required in the response.
- 3.8 Following consultation submissions, Marcus Jones, Parliamentary Under Secretary of State (Minister for Local Government) wrote to Chairmen of every Pensions Committee in March 2016 to outline issues raised for individual submissions. A recent press article indicated that the Minister advised the ACCESS group that its proposals "contain little detail and is at an early stage compared to other pools, particularly on governance and legal structure" (Local Government Chronicle). However, ACCESS is still in early stages of development and will be committing resources prior to finalising its response in July 2016.

- 3.9 Marcus Jones also confirmed that individual funds could not join multiple pools – Bromley sought the option to join more than one pool (see 3.6). He also revealed a preference for pools to be set up and regulated through the Financial Conduct Authority which prevents a lower cost “joint committee” option.
- 3.10 The London CIV have written to the Leader of the Council to discuss the benefits of London Borough of Bromley joining the London CIV (see Appendix 3). The Leader sought assurances that there would be real benefits for the Council joining the pool and this is covered in their response. Apart from Bromley, all the other London boroughs have joined the London CIV. The letter refers to Articles of Association of London LGPS CIV Limited and the Shareholders Agreement which are available in the Members room.
- 3.11 There remains uncertainty, at this stage, of the implications of joining the ACCESS pool. The Council can only agree to join one pool. Therefore it is recommended that the Council joins the London CIV on the basis of an expected lower cost option of joining, it is already FCA regulated with potential for earlier achievement of savings in management fees and has an agreed commitment of one member one vote
- 3.12 Members have previously expressed concerns about the risks of pooled funds evolving towards external control of the asset allocation strategy. The current proposals continue to allow the asset allocation control to be retained by the administering authorities who would implement the strategy using the pooled fund operator to enable reductions in management fees through economies of scale, whilst retaining the choice of fund managers in the short term.

4. POLICY IMPLICATIONS

- 4.1 The Council's Pension Fund is a defined benefit scheme operated under the provisions of the Local Government Pension Scheme (LGPS) Regulations, for the purpose of providing pension benefits for its employees. The investment regulations (LGPS Management and Investment of Funds Regulations 2009) allow local authorities to use all the established categories of investments, e.g. equities, bonds, property etc, and to appoint external investment managers who are required to use a wide variety of investments and to comply with certain specific limits.

5. FINANCIAL IMPLICATIONS

- 5.1 There will be set up costs relating to the ACCESS pool, depending on the governance structure adopted which could range between £2 million and £3 million and any joining authority will be required to contribute towards such costs. The ACCESS pool will be established on a multi-asset basis to maximise the potential fee savings. It is not clear how any set up costs will be distributed (as proportion of fund value or proportionate to number of members?) and such set up costs may be higher than joining the London CIV.
- 5.2 For the London CIV, local authorities have had to make individual contributions of £75k to date and will be expected to contribute a further £25k in 2016/17. Contributions to date have also covered the set up cost of the London CIV which would need to be incurred in joining any other pooled vehicle.
- 5.3 In the longer term, any pooled investment vehicle should be able to recover its costs through fees to each sub fund. Specific financial arrangements and potential future savings cannot be quantified at this stage. There are some asset types where greater benefits would be gained through LGPS pooling. In particular this would apply to infrastructure.

5.4 Any net savings from pooling will be realised in the medium and longer term, particularly from investment fees, but there will be initial costs relating to the setting up of a pooling arrangement and associated transition costs.

6. PERSONNEL IMPLICATIONS

6.1 None arising directly from this report.

7. LEGAL IMPLICATIONS

7.1 The statutory provisions relating to the administration of the LGPS are contained in the Local Government Pension Scheme Regulations 2013. The investment regulations, LGPS (Management and Investment of Funds) Regulations 2009, set out the parameters for the investment of pension fund monies.

7.2 The Government will “work” with local authorities who do not develop sufficiently ambitious proposals and will also consider “backstop” legislation where not satisfied (could result in intervention in investment function).

Background Documents: (Access via Contact Officer)	Pooling Options, Pensions Investment Sub-Committee, 11 th February 2016 Members Pension Seminar, 11 th January 2016 General Update, Pensions Investment Sub-Committee, 23 rd September 2015 The letter refers to Articles of Association of London LGPS CIV Limited and the Shareholders Agreement which are available in the Members room.
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February Committee Report

Report No.
FSD 16019

London Borough of Bromley

Agenda
Item No.

PART 1 - PUBLIC

<Please select>

Decision Maker: Pensions Investment Sub-Committee**Date:** 11 February 2016**Decision Type:** Non-Urgent Non-Executive Non-Key**Title:** POOLING OPTIONS**Contact Officer:** Peter Turner, Director of Finance ,
Tel: 020 8313 4668 E-mail: peter.turner@bromley.gov.uk**Chief Officer:** Director of Finance**Ward:** All1. Reason for report

This report provides an update on Local Government pension scheme consultation relating to “Local Government Pension Scheme: Investment Reform Criteria and Guidance” and investment pooling options.

2. **RECOMMENDATION(S)**2.1 **The Sub-Committee is asked to:**

- (a) Consider the key principles in considering a pooling arrangement (see 3.2);
- (b) Comment on the pooling options currently being explored;
- (c) Agree that the Director of Finance, in consultation with the Chairman and Vice Chairman submits the formal consultation response which will incorporate views expressed at this meeting;
- (d) Note that the final consultation response will be emailed separately to all Members of the Pensions Investment Sub-Committee, once available.

Corporate Policy

1. Policy Status: Existing policy. The Council's Pension Fund is a defined benefit scheme operated under the provisions of the Local Government Pension Scheme (LGPS) Regulations for the purpose of providing pension benefits for its employees. The LGPS (Management and Investment of Funds) Regulations 2009 allow local authorities to use all the established categories of investments (e.g. equities, bonds, property etc) and to appoint external investment managers who are required to use a wide variety of investments and to comply with certain specific limits.
 2. BBB Priority: Excellent Council.
-

Financial

1. Cost of proposal: Estimated cost Set up costs (see section 5)
 2. Ongoing costs: Recurring cost. Total administration costs estimated at £3.3m (includes fund manager/actuary/advisor fees, Liberata charge and officer time)
 3. Budget head/performance centre: Pension Fund
 4. Total current budget for this head: £36.6m expenditure (pensions, lump sums, etc); £41.5m income (contributions, investment income, etc); £732.0m total fund market value at 31st December 2015)
 5. Source of funding: Contributions to Pension Fund
-

Staff

1. Number of staff (current and additional): 0.4 FTE
 2. If from existing staff resources, number of staff hours: c 14 hours per week
-

Legal

1. Legal Requirement: Statutory requirement. Local Government Pension Scheme (LGPS) Regulations
 2. Call-in: Call-in is not applicable.
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): 6,150 current employees; 5,073 pensioners; 5,223 deferred pensioners as at 31st December 2015
-

Ward Councillor Views

3. Have Ward Councillors been asked for comments? No.
4. Summary of Ward Councillors comments: N/A

COMMENTARY

3.1 Consultation Document - Pooling of Investments

3.1.1 The Chancellor's Summer Budget announced on 8th July 2015 included the following message:

"The government will work with Local Government Pension Scheme administering authorities to ensure that they pool investments to significantly reduce costs, while maintaining overall investment performance. The government will invite local authorities to come forward with their own proposals to meet common criteria for delivering savings. A consultation to be published later this year will set out those detailed criteria as well as backstop legislation which will ensure that those administering authorities that do not come forward with sufficiently ambitious proposals are required to pool investments."

This was followed by a speech by the Chancellor at the Conservative Party Conference as follows *"we are going to find new ways to fund British infrastructure that drives our productivity ...At the moment we have 89 local government pension funds with 89 sets of fees and costs. It's expensive, and they invest little or nothing in our infrastructure. So I can tell you today we are going to work with councils to create half a dozen British wealth funds spread across the country"*.

3.1.2 For London, the Treasury appear to see this approach as building on the work already done by the London CIV (see 3.6.2).

3.1.3 Since the announcement the Government have indicated that they wish to see all assets (including equities and bonds) pooled within three years with more time required for unlisted assets. The expectation is that the 89 Local Government pension Scheme Administering Authorities (assets over £190bn) will pool scheme assets into investment pools. The Government appear open minded, at this stage, about whether the pools would be actively or passively managed or whether there would be a mix of both.

3.1.4 Department of Communities and Local Government (DCLG) have produced a criteria for pooling which is not subject to consultation shown below. Their commentary is shown in italics:

(a) Asset pool(s) that achieve benefits of scale

The administering authorities in England and Wales should collaborate to establish, and invest through asset pools, each with at least £25bn of Scheme assets. The proposals should describe these pools, explain how each administering authority's assets will be allocated among the pools, describe the scale of benefits that these arrangements are expected to deliver and explain how these benefits will be realised, measured and reported.

(b) Strong Governance and Decision Making

At a local level provide authorities with assurance that their investments are being managed appropriately by the pool, in line with their stated investment strategy and in the long term interest of their members.

(c) Reduced Costs and Excellent Value for Money

In addition to the fees paid for investment, there are further hidden costs that are difficult to ascertain and so are rarely reported in most pension fund accounts. To identify savings, authorities are expected to take the lead in this area and report the costs they incur more transparently. Proposals should explain how the pool(s) will deliver savings in investment fees, both in the near term and over the next 15 years, while at least maintaining overall investment performance.

(d) An Improved Capacity and Capability to Invest in Infrastructure.

Only a very small proportion of Local Government Pension Scheme assets are currently invested in infrastructure; pooling of assets may facilitate greater investment in this area. Proposals should explain how infrastructure will feature in authorities' investment strategies and how the pooling arrangements can improve the capacity and capability to invest in the asset class.

- 3.1.5 The Chancellor has previously referred to pools taking the form of up to 6 British Wealth Funds, each with assets of at least £25bn. The pools being developed (see 3.4) are different in number and value and it is not clear whether the limit of 6 funds and minimum value of £25bn will become a mandatory requirement.
- 3.1.6 Based on the above proposals the Council will still retain decisions on Investment Strategy and asset allocation, with the help of their advisers, and funding responsibilities for current and past deficit contributions would remain.
- 3.1.7 The Government accept that a limited number of investments can be outside the pool e.g. direct property investments.
- 3.1.8 Administering authorities are asked to submit their initial proposals to the Government by 19th February 2016 and the submissions are expected to include a commitment to pooling and details of progress towards formalising their arrangements with other Pension Funds. Administering authorities can choose whether to make individual or joint submissions, or both, at this first stage. Funds that do not join a specific pool will have to present their own individual submissions to government to explain they are still considering.
- 3.1.9 Refined and completed submissions are expected by 15th July 2016, which fully meet the criteria, and provide any further information that would be helpful in evaluating the proposals. Detailed evidence will be required to be submitted – a major piece of work.
- 3.1.10 Any final pooling arrangement will be expected to “go live” by April 2018.
- 3.1.11 The Government will “work” with local authorities who do not develop sufficiently ambitious proposals and will also consider “backstop” legislation where not satisfied (could result in intervention in investment function).
- 3.1.12 The Government require the new pools to control procurement in order to achieve larger savings in the longer term.

3.2 Key Principles in Considering a Pooling Arrangement

3.2.1 In considering a pool, I suggest the following draft key principles in selecting a final pooling arrangement:

- Similar size of funds
- No single dominant Fund
- Every fund in the pool will have an equal voice in the Pool
- Manageable number for Governance
- Is the investment approach and philosophy similar
- Dependency on internal and external management (Bromley has a low dependency on internal management)
- Set up costs, running costs and savings in fund manager and other fees
- Assists trustees in fiduciary duty to act in the best interest of their members, as well as acting prudently, responsibly and honestly.

3.2.2 Members are requested to comment on the draft principles identified.

3.3 Saving in Management Fees and Other costs

3.3.1 The Council's current management fees are £2.8m which equates to an average of 0.3885% across the portfolio. A reduction of 5 base points in fees would save £367k per annum. The fees are based on a total portfolio value of £732m as at 31/12/15.

3.3.2 The Council has 3 fund managers for Global Equities (Blackrock, MFS and Baillie Gifford), 2 fund managers for Diversified Growth Fund (Standard Life and Baillie Gifford) and 2 fund managers for fixed income (Baillie Gifford and Fidelity). A total of 5 different fund management organisations.

3.3.3 Project Pool was established in September 2014 to provide proposals that will meet criteria and parameters specified by Government in relation to scale, cost savings, governance and access to infrastructure. Project Pool commissioned by 24 councils administering LGPS funds, 13 other pension funds, 40 fund managers and consultancy Hymans Robertson reported on potential savings of at least £190m in the longer term (timeframe of say 10 years) nationally through pooling local government pension funds. The report said that savings would not be immediate to reflect pension funds needing to "run off" existing contracts with current investment management arrangements. Any transition of assets will require costs and resources to deliver such change and there will be costs in the shorter term before savings become realised in the medium term. To provide some context there are 89 LGPS funds in England and Wales with a market value of £189bn at 31/3/15. The savings identified assume ongoing increases in fund values in the longer term and associated savings. A previous report by PWC indicated that the pooling of investments could save up to £600m per year which has been quoted in government circles. The only conclusion is that there are potential significant savings which are difficult to quantify.

3.4 Formation of Pooled Funds

- 3.4.1 There are a number of collaborations that are emerging. The latest national picture, with regard to pooling appears as follows (source: LGPS Pooling Vehicles as reported by Local Government Chronicle (29/1/16)):

Border to Coast – potential value £32bn

Warwickshire, Lincolnshire, East Riding of Yorkshire, North Yorkshire, Cumbria and Surrey

Northern Powerhouse – potential value £40bn

Greater Manchester, West Yorkshire and Merseyside

Midlands – potential value £35bn

Cheshire, Derbyshire, Nottinghamshire, Shropshire, Staffordshire, West Midlands Integrated Transport Authority, West Midlands and Worcestershire

South West CIV – potential value of £20bn

Avon, Cornwall, Devon, Dorset, Gloucestershire, Somerset, Wiltshire and the Environment Agency (and potentially Oxfordshire)

ACCESS – potential value of £38bn

Kent, Northamptonshire, Cambridgeshire, Norfolk, Suffolk, Essex, West Sussex and Isle of Wight

London CIV – potential value of £24bn

Currently only London Boroughs

Lancashire and London Pensions Partnership – potential value of £10bn

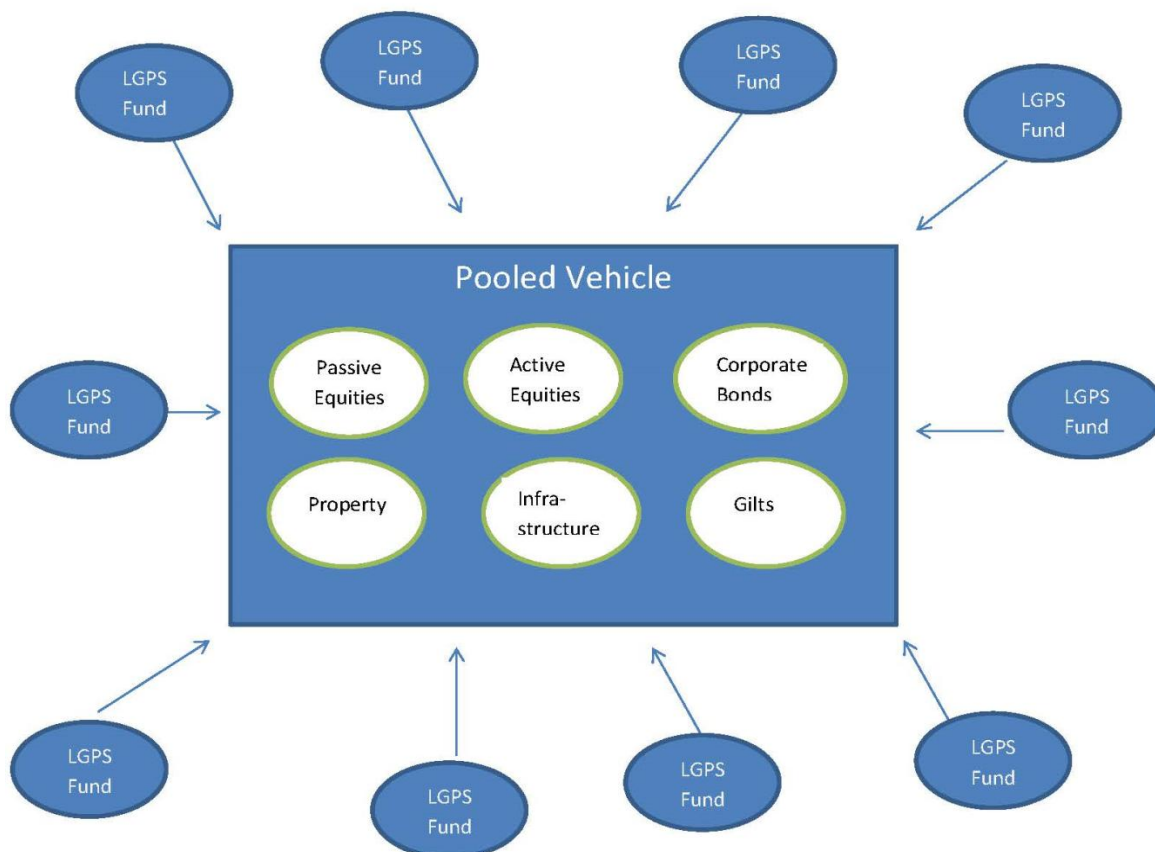
Lancashire and London Pension Fund Authority

Greater Manchester and LPFA infrastructure vehicle - £500m

- 3.4.2 In addition, the pooling of the Welsh funds would have a potential value of £15bn. Not all of the pools above are being formed along geographical lines and having similarity of investment strategies appears to be a main determinant for pools that are not regionally based.
- 3.4.3 The two pools currently being explored further at Bromley are the ACCESS pool and the London CIV. ACCESS is “A Collaboration of Central, Eastern and Southern Shires”. Not all funds have decided on how they will proceed although most have narrowed down their approach to a couple of pools and deciding between them.

3.5 Structure of Pooled Vehicle

3.5.1 The diagram below illustrates the multi-asset classes of a pooled investment vehicle. Any pooled vehicle is likely to be subject to Financial Conduct Authority regulation.



3.5.2 An example of a pooled arrangement is through an Authorised Contractual Scheme (ACS) as shown in Appendix 1 and represents the current arrangement for the London CIV. ACS is required to be FCA regulated and would take about 18 months to establish. The cost of establishing and running a pool would need to be met although in the medium to longer term such costs would be more than offset by savings in investment costs through economies of scale. The ACS operator would be governed by a board of the LGPS fund Chairmen who will determine policies and parameters of the ACS and monitor performance. The operator would choose investment managers with the specific LGPS funds providing their asset allocations to the Operator for Implementation. This is a fundamental change to how LGPS funds are managed. The London CIV uses an ACS model (see Appendix 1). The ACS structure is a favourable tax vehicle for pension funds to enable recovery avoiding “tax drag” on overseas investment returns.

3.5.3 The Government has no fixed ideas on the type of structures to be chosen but is looking for funds to choose structures that are robust and make substantial cost savings whilst ensuring good investment performance.

- 3.5.4 There may be other alternative arrangements that are being explored through the pools being formed which may include a joint committee arrangement model. These options are expected to be concluded after the initial response to consultation.
- 3.5.5 From a Pensions Investment Sub-Committee perspective the only key decision making that would change is manager selection. The Committee determine the investment strategy and asset allocation, as at present, and the pool will manage the investments of the Fund, and the manager selection using the asset allocation of the Committee. The pool therefore will be responsible for the manager choice and will be accountable to the Fund for poor investment decisions. The Pool will report to the fund on the performance of its investments, rather than the manager presentation meetings currently held.

3.6 Options for the Council

3.6.1 ACCESS

3.6.1.1 Although some pools have made more progress towards a pooling structure and governance arrangements, ACCESS is at an earlier stage of formation. It includes authorities which appear similar to Bromley in investment approach. The value of funds range from £0.5bn to £5.1bn (average value of £2.69bn). If Bromley joined ACCESS it would have the second lowest fund value but there would not be a single dominant fund and there are expected to be up to 14 authorities that may join ACCESS. There will be set up costs, depending on governance structure adopted etc. which could range between £2 million and £3 million and any joining authority will be required to contribute towards such costs. The ACCESS pool will be established on a multi-asset basis to maximise the potential fee savings. It is expected to adopt a One Member One Vote approach and it is not clear how any set up costs will be distributed (as proportion of fund value or proportionate to number of members?). ACCESS members appear to have some strong commonality with the Bromley Fund with heavy reliance on external fund managers and a similar approach with investment strategy. Further examination is required and the Director of Finance and Chairman of Pensions investment Sub-Committee will progress with exploring the benefits of joining ACCESS on behalf of Members.

3.6.1.2 ACCESS is keen to explore LGPS-wide collaboration for the creation of a national infrastructure investment platform, to share best practice and manage transitions.

3.6.1.3 The objectives of ACCESS are shown below:

- Help participating authorities to execute their fiduciary responsibilities to LGPS stakeholders, including scheme members and employers, as economically as possible.
- Enable participating authorities to achieve the benefits of pooling investments while preserving the best aspects of what is currently done locally and the desired level of local decision making and control;
- Provide a range of asset types necessary to enable those participating authorities to execute their locally decided investment strategies as far as possible.

To achieve these objectives the ACCESS pool has determined the following guiding principles

- The participating authorities will work collaboratively;

- All participating authorities will have an equal voice in governance;
- Decision making will be objective and evidenced based;
- The pool will use professional resources and risk management processes appropriate to the responsibilities of managing one of the biggest pools of pension assets in the UK;
- The pool will avoid unnecessary complexity in its approach;
- The pool will evolve its approach to meet the changing needs and objectives of participating funds;
- The pool will be open to innovation that will enable it to better service the pool's participants;
- The pool will be established to run economically, avoiding unnecessary cost;
- The pool's costs will be shared equitably.

3.6.2 London CIV

3.6.2.1 The London CIV has taken 2 years to implement and is now established and operational. The London CIV is fully authorised by FCA as an alternative Investment Fund Manager with permission to operate a UK based ACS Fund. The City of London and 30 London Boroughs have joined and another London borough is expected to join shortly. The first sub fund has opened, an active global equities fund, and three authorities are the initial seed investors with £500m of assets transferred in on 2nd December 2015. A further eight sub-funds, comprising a mix of active and passive equity funds are being opened over the next few months. By the end of 2016 it is currently estimated to deliver £3m savings in fund fees from £6bn of assets. The London CIV ambition is to deliver fund management savings of £30m per annum by 2020. The London CIV is fully authorised to operate in-house fund management and this option is expected to be explored at a later stage to determine whether it could deliver additional efficiencies and performance.

3.6.2.2 The guiding principles and objectives adopted by the London CIV are:

- Investment in the ACS should be voluntary, both entry and withdrawal;
- Boroughs choose which asset classes to invest into, and how much;
- Borough shareholders should have sufficient oversight over the ACS operator;
- Investing authorities will take a shareholding interest in the operator;
- Shareholders will have membership of the Pensions Joint Committee;
- ACS Operator will provide regular information to participating boroughs;
- ACS will not increase the overall investment risk faced by the boroughs;

- Overall control of pension funds stay at individual local authority level;
- A tax transparent structure assists in tax reclaims;
- Achieve reductions in custody and fund manager fees from greater buying power and reduce procurement costs;
- Achieve governance/shared training/knowledge benefits;
- Provide access to “alternative” investments.

3.6.2.3 Local authorities have had to make individual contributions of £75k to date and will be expected to contribute a further £25k in 2016/17. Contributions to date have also covered the set up cost of the London CIV which would need to be incurred in joining any other pooled vehicle. In the future the London CIV is expected to recover its costs through a fee to each sub-fund ranging from 0.005% for passive funds to 0.025% for the active funds. Every participating borough is expected to have the opportunity to migrate to the CIV by March 2017.

3.6.2.4 Representing the borough level, a Sectoral Joint Committee (Chairmen of individual Pension Committees) has been established under the governing arrangements of London Councils. This effectively provides One Member One Vote. There is a separate officer committee to support the member committee led by a few borough treasurers and includes pension fund managers from across the boroughs. London CIV have reported negotiating fee reductions of up to 50%.

3.7 Next Steps

- 3.7.1 In order to progress with determining the best ‘pool’ to join, the Director of Finance is liaising with the Chairman and Vice Chairman of Pensions Investment Sub Committee and Resources Portfolio Holder which will also assist in informing the consultation response to Government.
- 3.7.2 Meetings are being arranged separately with LB Wandsworth and Kent County Council on their experience relating to the London CIV and progress with ACCESS respectively.
- 3.7.3 Any decision to join a ‘pool’ will be reported to Pensions Investment Sub Committee. The ultimate decision may require the approval of full council as part of any final proposals to be submitted to Government in July.
- 3.7.4 Members have previously expressed concerns about the risks of pooled funds evolving towards external control of the asset allocation strategy. The current proposals continue to allow the asset allocation control to be retained by the administering authorities who would implement the strategy using the pooled fund operator to enable reductions in management fees through economies of scale, whilst retaining the choice of fund managers in the short term.

3.8 Conclusion

- 3.8.1 There are potential benefits from pooling if it delivers cost savings, by providing scale, increased resilience, knowledge sharing and robust governance and decision making arrangements without compromising on the Council's "sovereignty". Under the current proposals individual pension funds will retain their separate identities and local accountability. Pooling may provide access to opportunities not available to individual funds.
- 3.8.2 There are some asset types where greater benefits would be gained through LGPS pooling. In particular this would apply to infrastructure.
- 3.8.3 Any net savings from pooling will be realised in the medium and longer term, particularly from investment fees, but there will be initial costs relating to the setting up of a pooling arrangement and associated transition costs.
- 3.8.4. Both the option of the London CIV and ACCESS are being considered further, prior to the consultation initial response due on 19th February 2016.

6. POLICY IMPLICATIONS

- 4.2 The Council's Pension Fund is a defined benefit scheme operated under the provisions of the Local Government Pension Scheme (LGPS) Regulations, for the purpose of providing pension benefits for its employees. The investment regulations (LGPS Management and Investment of Funds Regulations 2009) allow local authorities to use all the established categories of investments, e.g. equities, bonds, property etc, and to appoint external investment managers who are required to use a wide variety of investments and to comply with certain specific limits.

7. FINANCIAL IMPLICATIONS

- 5.1 There will be set up costs relating to the ACCESS pool, depending on governance structure adopted which could range between £2 million and £3 million and any joining authority will be required to contribute towards such costs. The ACCESS pool will be established on a multi-asset basis to maximise the potential fee savings. It is not clear how any set up costs will be distributed (as proportion of fund value or proportionate to number of members?) and such set up costs may be higher than joining the London CIV.
- 5.2 For the London CIV, local authorities have had to make individual contributions of £75k to date and will be expected to contribute a further £25k in 2016/17. Contributions to date have also covered the set up cost of the London CIV which would need to be incurred in joining any other pooled vehicle.
- 5.3 In the longer term any pooled investment vehicles should be able to recover its costs through fees to each sub fund. Specific financial arrangements and potential future savings cannot be quantified at this stage.

6. PERSONNEL IMPLICATIONS

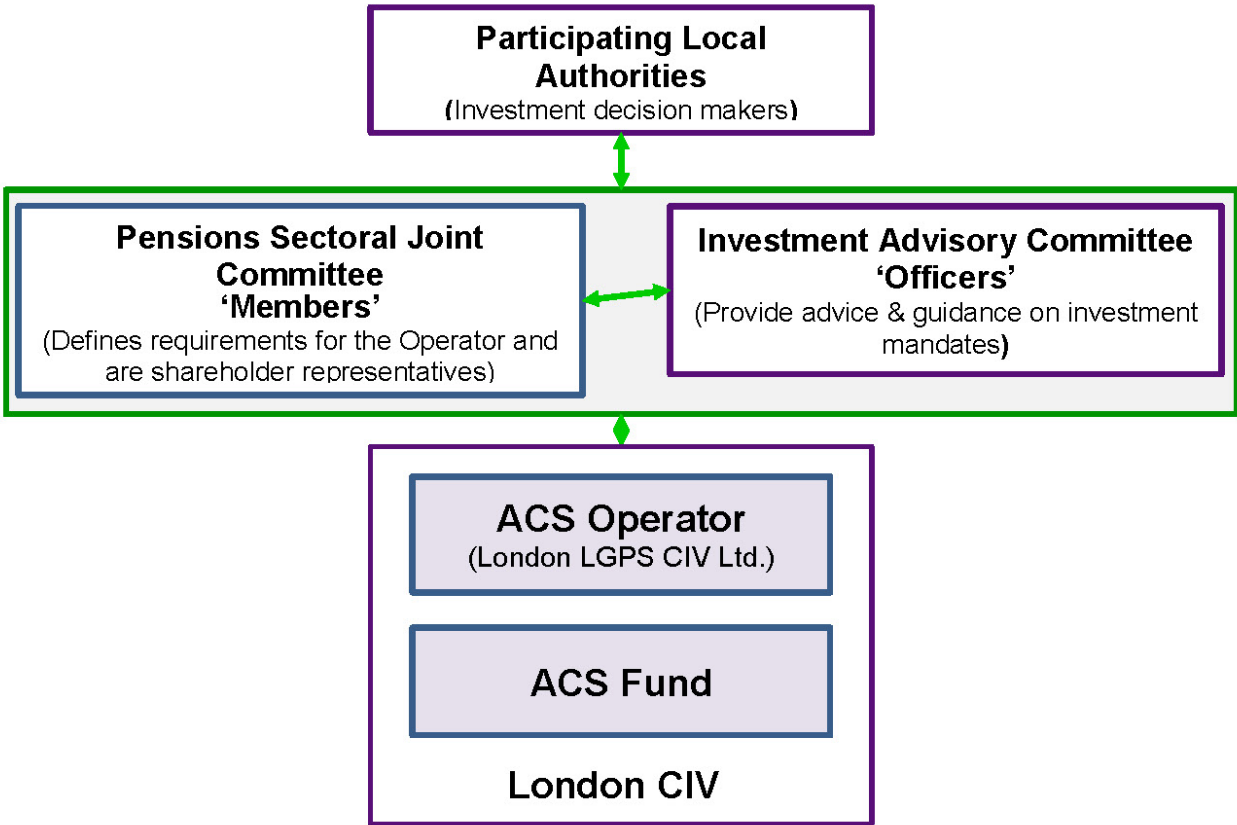
- 6.1 None arising directly from this report.

7. LEGAL IMPLICATIONS

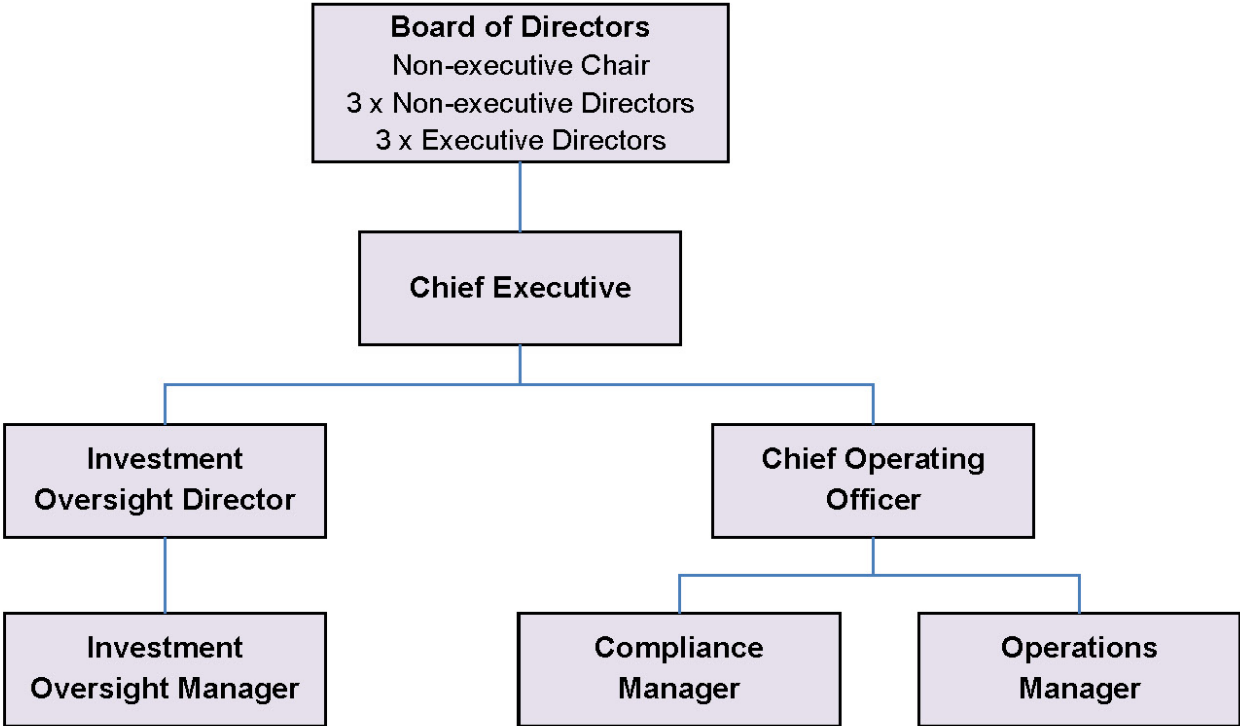
- 7.1 The statutory provisions relating to the administration of the LGPS are contained in the Local Government Pension Scheme Regulations 2013. The investment regulations, LGPS (Management and Investment of Funds) Regulations 2009, set out the parameters for the investment of pension fund monies.
- 7.2 The Government will “work” with local authorities who do not develop sufficiently ambitious proposals and will also consider “backstop” legislation where not satisfied (could result in intervention in investment function).

Background Documents: (Access via Contact Officer)	Members Pension Seminar, 11 th January 2016 General Update, Pensions Investment Sub-Committee, 23 rd September 2015
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London CIV governance diagram



London CIV organisation chart



LONDON BOROUGH OF BROMLEY

1. RESPONSE TO;

LGPSReform@communities.gsi.gov.uk

Consultation on:

- **Local Government Pension Scheme: Investment Reform Criteria and Guidance**
- **Local Government Pension Scheme: Revoking and replacing the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2009**

2. SUMMARY OF KEY ISSUES

This paper represents the response from the London Borough of Bromley.

Although outside the specific scope of this consultation response, Bromley remains concerned about the cost to employers of the new LGPS 2014. Details were provided in the “LGPS 2014 Proposals – Employer Consultation Form” and the response concluded that there was a missed opportunity to provide a more affordable and sustainable solution. HM Treasury issued new Fair Deal guidance but it does not apply to the Local Government Pension Scheme (LGPS) and revised guidance is still awaited. Continuing pension protection on transfer will have a detrimental impact on the Council’s ability to outsource work to external providers who may be unwilling or unable to take on the financial implications of staff retaining the right to remain in the LGPS. Indeed, we are already seeing this with some of our outsourcing proposals. Action to more effectively address both of these matters would have ultimately reduced the strain on pension funds with resultant reductions in costs for Council tax payers whilst supporting the required transformation agenda. These are key matters that we would want to be addressed to enable a more sustainable solution to be found.

We welcome the Government’s recognition of the importance of pension fund administering authorities retaining a limited number of investments outside any pooled vehicle. There is also recognition of the benefits of asset allocation and investment strategy being retained by individual pension fund authorities. There has been some wide discussion about infrastructure funds as an alternative investment. The Council’s view is that we should not be directed to invest in particular areas through future regulation which could not only be detrimental to longer term investment returns but could also increase costs met by the local council tax payer. Bromley recognises that there are benefits for councils to join a pooled investment vehicle to reduce management costs but would want the flexibility to consider alternative pools for specific investment which also helps ensure competition/choice will create “best value” for the investment costs. It is important that there is not a restrictive market created that could result in higher costs if strong competition is not retained. We therefore urge the Government not to have closed funds but enable all pools to be open to any LGPS fund in whole or part.

Bromley is minded to join the London CIV and we support the separate submission from the London CIV and the 31 London local authorities who are currently members. Their submission should be considered with Bromley’s response. If the Council does not have the option of joining different pools we would be committed to join the London CIV subject to final Council decision in the Spring, prior to the final submission due on 15 July 2016. We await the Government response to the initial consultation prior to confirming the Council’s final position.

We welcome the proposed changes to the Regulations which place more onuses on local authorities to determine the balance of their investments and take into account risk rather than the existing over prescribed requirements. As indicated this will enable an effective “prudent person” approach. Although this has not affected the Council’s investment choices, we welcome the need to nationally ensure that pension investment does not involve the “politics of division” e.g. not pursuing policies contrary to UK foreign policy. This will be in the best interest of pension fund members and council tax payers. However, we do not support wide ranging powers of intervention by the Secretary of State, especially in the absence of guidance setting out how such powers will be used.

London Borough of Bromley Pension Fund

As at 31 December 2015 the Council’s Pension Fund was worth £732m, had 16,446 scheme members, total annual income was £41.5m with expenditure of £36.6m. The majority of the administration is undertaken by an external provider, following market testing. Our solvency level is above average and our medium and longer term investment returns are in the top quartile of the local authority universe. We are one of the smallest funds in LGPS terms but using longer term investment periods we have achieved whole fund ranking as follows:

- (a) Whole fund return of 8.2% (10 years to 30/9/15), ranked 8th in the local authority universe;
- (b) Whole fund return of 8.6% (5 year to 30/9/15), ranked 25th in the local authority universe.

We have achieved successful outcomes to date. Although past performance is not a reliable indicator of future performance, the above illustrates that larger funds do not necessarily achieve higher returns.

Strong investment returns as shown above have increased the value of the pension fund which reduces future calls on the Council tax payers of Bromley. This also illustrates that Bromley can successfully manage a pension fund without the need for any enforced changes. Bromley remains committed to be a long term investor and to strive for high returns rather than mediocrity.

3. LOCAL GOVERNMENT PENSION SCHEME: INVESTMENT REFORM CRITERIA AND GUIDANCE

The Council agreed the following key principles in selecting a final pooling arrangement:

- Similar size of funds
- No single dominant Fund
- Every fund in the pool will have an equal voice in the Pool
- Manageable number for Governance
- Similar investment approach and philosophy
- Dependency on internal and external management (Bromley has a low dependency on internal management)
- Set up costs, running costs and savings in fund manager and other fees
- Assists trustees in fiduciary duty to act in the best interest of their members, as well as acting prudently, responsibly and honestly
- Similar funding levels

The Council is minded to choose the London CIV but will follow closely progress on the ACCESS pool. A final commitment to a pool will be made in the Spring. Therefore our response to first stage of the consultation is the response covered in the letter from Hugh Grover, Chief Executive of London CIV to Chris Megainey dated 18th February 2016.

However, as set out above, we want the flexibility to consider alternative pools for specific investment which also helps ensure competition/choice will create “best value” for the investment costs.

It is important to recognise that the savings from reduction in management fees would not be significant in the shorter term and after allowing for the set up costs and various transitional costs, including transfer taxation, any net savings may not be realised until the medium to longer term. We would ask that the Government consider financial support to mitigate against the taxation costs of transferring assets into a collective investment vehicle.

We await the Government’s response to the initial consultation exercise prior to confirming the Council’s final position.

4. LOCAL GOVERNMENT PENSION SCHEME: REVOKING AND REPLACING THE LOCAL GOVERNMENT PENSION SCHEME (MANAGEMENT AND INVESTMENT OF FUNDS) REGULATIONS 2009

Question 1

Does the proposed deregulation achieve the intended policy aim of removing any unnecessary regulation while still ensuring that authorities’ investments are made prudently and having taken advice?

The proposed deregulation does help remove unnecessary regulation but care should be taken with the wording. Regulation 7(2)(a) refers to “the authority’s investment strategy must include a requirement to invest fund money in a wide variety of investments”. The word “consider” should be inserted after “to” to avoid the risk of having to invest in funds that do not meet the required investment aims in the interest of members of the pension fund and the associated impact on council taxpayers.

Question 2:

Are there any specific issues that should be reinstated? Please explain why.

No specific issues for reinstatement proposed.

Question 3:

Is six months the appropriate period for the transitional arrangements to remain in place?

No particular concerns about 6 months to properly implement the regulations but a longer period of say 9 months should be considered to reflect the considerable issues facing pension funds in progressing the pooling arrangements which require final responses in July.

Question 4:

Should the regulation be explicit that derivatives should only be used as a risk management tool? Are there any other circumstances in which the use of derivatives would be appropriate?

Although the fund does not use derivatives directly they are used by our fund managers in various pooled investments. They are not only used as a risk management tool but for wider investment return purposes. Seeking to control outcomes with derivatives is about balancing risk and return and not just risk management. On that basis they should not just be explicitly linked to a risk management tool.

Question 5:

Are there any other sources of evidence that the Secretary of State might draw on to establish whether an intervention is required.

External audit reports (ISA 260 report) and the external auditor's opinion on the pension fund annual report and financial statements.

Question 6:

Does the intervention allow authorities sufficient scope and time to present evidence in favour of their existing arrangements when either determining an intervention in the first place, or reviewing whether one should remain in place?

There needs to be an appropriate opportunity and time allowed for administering authorities to respond and certainly sufficient time allowed for authorities to gather evidence. There should not be restrictions on the evidence particularly if it relates to action taken to improve long term outcomes for council tax payers as well as members of the pension fund. The action should be appropriate according to the seriousness of the issue.

Question 7:

Does the proposed approach allow the Secretary of State sufficient flexibility to ensure that he is able to introduce a proportionate intervention?

The proposed approach is fairly broad and appears sufficient. Intervention should only apply if it is in the best interest of taxpayers.

Question 8:

Do the proposals meet the objectives of the policy, which are to allow the Secretary of State to make a proportionate intervention in the investment function of an administering authority if it has not had regard to best practice, guidance or regulation?

The proposals seem to meet the policy objective.

Peter Turner
Director of Finance
London Borough of Bromley
19/02/16

Letter from London CIV



Cllr. Stephen Carr
 London Borough of Bromley
 Civic Centre
 Stockwell Close
 Bromley
 BR1 3UH

27 April 2016

Dear Stephen,

It was a pleasure to meet with you and Pete Turner recently to discuss the potential for LB Bromley becoming a member of London CIV. We hope that you found the meeting helpful and that it addressed some of your areas of uncertainty. We undertook to write to you on one or two issues and to particularly cover the opening and closing of sub-funds and the 'hiring and firing' of 3rd party Fund Managers (FM).

It is worth noting at the outset that the processes that will be described have been developed in close consultation at all stages with representative borough Treasurers and Pension Fund Managers (through the Investment Advisory Committee ("IAC") and have been considered by Members through the London Councils CIV Joint Committee ("JC"). Obviously at this stage the processes are still being rolled out and will be reviewed by us in collaboration with the IAC and JC to refine them as we go forward.

As we discussed, to 'launch' the CIV, and in its early formative stages, we have adopted a process that appoints FMs through a combination of Commonality (more than one borough currently invested with the manager in the same mandate), Quantum of assets (focussing on big 'wins') and Commitment to the mandate from the boroughs (referred to as the "CQC" process).

Through CQC we are now working actively with seven FMs. By the end of 2016 we anticipate having 12 sub-funds open with around £8 billion of assets under management, which will deliver around £4 million of immediately identifiable savings across the 26 boroughs that are currently invested in the relevant mandates. Of course the decision to move the assets rests entirely with each borough; our task is to negotiate the best possible outcome with each FM so that the case for moving is compelling.

It is also worth noting that all but one of the initial sub funds will be open to investment by any borough, whether they are current investors in that mandate or not.

CQC continues to generate opportunities, but we anticipate that it will have run its course by the end of the year.

Beyond CQC we will adopt a 'normal' search and selection process, indeed this has already started. In broad terms this will involve us working in close collaboration with the IAC to consider asset classes and define what the boroughs need in each class. We will engage Investment Consultants, where they can add value, to work with us and the IAC through the search phase

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which will inform a report and recommendations that will go to the JC for consideration. Subject to the views of Members, the JC will then recommend to us in London CIV that the selection phase should be completed and the relevant sub-fund(s) opened. It's worth noting that not every borough would need to agree the recommendation, only those that were committed to investing in the sub-fund, unless opening the sub-fund might have a wider impact across all the boroughs in which case a consensus view would need to be reached.

When we met we discussed how the JC can only make 'recommendations' to London CIV as the final decision to open a sub-fund sits within the regulated environment of the company. However, as we will have been working hand-in-glove with the IAC at all stages any recommendation from the JC is very unlikely to be a surprise or to be one that we would not act upon.

Turning to the process for 'firing' a FM (which obviously hasn't been tested in anger yet); there are two levels at which firing might take place. The first would be where the sub-fund itself is performing normally but a borough decides to disinvest for some reason (e.g. the borough has changed its asset allocation profile). In principle, once the CIV is fully developed, this would involve a simple instruction to transition the borough's assets from one sub-fund into another. This would be a straightforward business as usual process and wouldn't require any great debate with other investors.

The second level would be where a sub-fund is under performing and a decision needs to be taken as to whether the fund should be closed. In this scenario it is envisaged that all the investors in the sub-fund would be convened (either physically or via conference call) to discuss the issues and to reach a view about what actions should be taken. It would be for each borough to make its own decision, which could result either in the sub-fund closing or some boroughs withdrawing and others remaining invested. The key thing is that decisions remain local but would be informed by a collaborative discussion with the benefit of shared knowledge and opinions.

For clarity we should give reassurance that each sub-fund stands alone as a ring-fenced mandate. In other words, costs and performance are contained within that sub-fund and will not adversely impact any other.

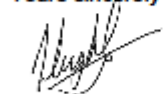
Finally, it is worth highlighting that London CIV is at least two years ahead (in our view) of any other viable LGPS pool and therefore offers the opportunity for Bromley to benefit quickly from savings without having to go through the lengthy and complex process of implementation. We already have our FCA authorisations and the backing of government for our governance model.

In preparation for what we hope will be a positive decision to join the CIV we thought that you might find it helpful to have sight of the company's Articles of Association and the Shareholders Agreement, both of which are enclosed.

We hope that this letter has provided some useful additional detail, please do be in touch if there are any other issues that you would like us to clarify.

We are copying this letter to Pete Turner.

Yours sincerely



Hugh Grover
Chief Executive

Hugh.grover@londonciv.org.uk

020 7934 9942



Lord Bob Kerslake
Chair

Bob.kerslake@londonciv.org.uk

Report No.
CSD16101

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: COUNCIL

Date: 4th July 2016

Decision Type: Non-Urgent Non-Executive Non Key

Title: PROVISIONAL FINAL ACCOUNTS 2015/16 – TRANSFER TO THE GROWTH FUND

Contact Officer: Graham Walton, Democratic Services Manager
Tel 020 8461 7743 E-mail: graham.walton@bromley.gov.uk

Chief Officer: Mark Bowen, Director of Corporate Services

Ward: Borough wide

1. Reason for report

- 1.1 At its meeting on 15th June 2016 the Executive considered the attached report on the Provisional Final Accounts for 2015/16 and agreed the recommendations. In particular the Executive agreed recommendation (k) requesting the Council to approve the transfer of £7,024k to the Growth Fund from underspends for 2015/16.
-

2. RECOMMENDATION

That Council approves the transfer of £7,024k to the Growth Fund as detailed in section 4.2 of the accompanying report.

Corporate Policy

1. Policy Status: Existing Policy:
 2. BBB Priority: Excellent Council:
-

Financial

1. Cost of proposal: Not Applicable:
 2. Ongoing costs: Recurring Cost:
 3. Budget head/performance centre: Council wide
 4. Total current budget for this head: £205.5m
 5. Source of funding: See appendix 1 to the attached report for overall funding of the Council's budget.
-

Staff

1. Number of staff (current and additional): 3,218 (per 2015/16 budget), which includes 1,356 for delegated budgets to schools.
 2. If from existing staff resources, number of staff hours: N/A
-

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 2015/16 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 services.
-

Ward Councillor Views

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

Non-Applicable Sections:	See attached report
Background Documents: (Access via Contact Officer)	See attached report Draft Executive minutes 15 th June 2016

Decision Maker: Executive Council

Date: 15th June 2016
4th July 2016

Decision Type: Non-Urgent Executive Non-Key

Title: PROVISIONAL FINAL ACCOUNTS 2015/16

Contact Officer: Tracey Pearson, Chief Accountant
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Chief Officer: Director of Finance

Ward: Borough Wide

1. Reason for report

- 1.1 This report considers the 2015/16 provisional outturn at portfolio level and Council wide as well as the potential implications for the Council's financial position in 2016/17. The purpose of the report is to give a broad overview of the financial outturn. The 2015/16 provisional outturn provides for no variation in general fund balances, subject to the recommendations in this report being agreed. The summary variations are made up of Cr £7.2m on services offset by carry forwards of Dr £1.7m, Dr £8.4m on central items (assuming the recommendations in this report are approved), prior year adjustments of Cr £1.6m and general grants & retained business rates of Cr £1.3m.
- 1.2 More detailed reports will be submitted to individual PDS Committees and the Education Budget Sub-Committee. Details of the carry forward requests and a summary of the Council's capital programme are also considered in the report.
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2. **RECOMMENDATION(S)**

2.1 **Executive are requested to:**

- (a) consider the provisional revenue and capital outturns for the 2015/16 financial year, and the earmarked balances on the General Fund as at 31st March 2016;
- (b) note that a more detailed analysis of the 2015/16 final outturn will be reported for each Portfolio to the Relevant PDS committees;
- (c) consider the variations in 2015/16 impacting on the Council's 2016/17 financial position;

- (d) consider the comments from the Education, Care and Health Services Department, the Director of Transformation and Regeneration and the Executive Director of Environment and Community Services as detailed in Appendix 1B;**
- (e) note the carry forwards of £301k relating to repairs and maintenance, approved under delegated authority as detailed in Appendix 5;**
- (f) approve the requests for carry forwards totalling £1,401k (net) as detailed in Appendix 5, subject to the funding being allocated to the Central Contingency to be drawn down on the approval of the relevant Portfolio Holder;**
- (g) agree to release a total of £589k funding from Central Contingency as detailed in para 3.2.1;**
- (h) note the return to the Central Contingency of £45k as detailed in para 3.2.2;**
- (i) agree that a sum of £97,400 be set aside from the 2015/16 underspends in the Central Contingency as detailed in paras 3.2.3 and 3.2.4;**
- (j) note the Prior Year Adjustments totalling £1,577k as detailed in section 3.4;**
- (k) recommend to Council the transfer of £7,024k to the Growth Fund as detailed in section 4.2.**

Corporate Policy

1. Policy Status: Existing policy.
 2. BBB Priority: Excellent Council.
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Financial

1. Cost of proposal: N/A
 2. Ongoing costs: Recurring cost.
 3. Budget head/performance centre: Council wide
 4. Total current budget for this head: £205.5m
 5. Source of funding: See Appendix 1 for overall funding of Council's budget
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Staff

1. Number of staff (current and additional): 3,218 (per 2015/16 Budget), which includes 1,356 for delegated budgets to schools.
 2. If from existing staff resources, number of staff hours: N/A
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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: Call-in is applicable
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): The 2015/16 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.
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Ward Councillor Views

3. Have Ward Councillors been asked for comments? N/A.
4. Summary of Ward Councillors comments: Council wide

3 COMMENTARY

3.1 Provisional Final Outturn 2015/16

3.1.1 The Resources Portfolio Plan included the target that each service department will spend within its own budget. A summary of the overall budget and the provisional outturn for 2015/16 is shown in the table below.

3.1.2 The 2015/16 provisional outturn shows no overall net movement in general fund balances, subject to approval of the contribution to the Growth Fund, as detailed in section 4.2.

Provisional Outturn on Services & Central Items	2015/16 Original Budget £'000	2015/16 Latest Budget £'000	2015/16 Provisional Outturn £'000	2015/16 Variation £'000
Portfolio				
Care Services	102,794	100,808	96,458	Cr 4,350
Education	5,124	6,088	6,110	22
Environment	32,095	33,141	32,092	Cr 1,049
Public Protection & Safety	2,120	2,125	2,015	Cr 110
Renewal & Recreation	9,214	9,403	9,042	Cr 361
Resources	37,869	39,233	37,919	Cr 1,314
Total Controllable Budgets	189,216	190,798	183,636	Cr 7,162
Capital Charges and Insurance	20,980	7,595	7,595	0
Non General Fund Recharges	Cr 793	Cr 827	Cr 827	0
Total Portfolio Budgets	209,403	197,566	190,404	Cr 7,162
Adj. for carry forwards from 2015/16 to 2016/17	0	0	1,702	1,702
Capital, Insurance & Pension a/c requirements	Cr 19,698	Cr 6,338	Cr 6,388	Cr 50
Total Portfolio Budgets (adj. for carry forwards and accounting requirements)	189,705	191,228	185,718	Cr 5,510
Contingency Provision	14,003	949	0	Cr 949
Interest on General Fund Balances	Cr 2,741	Cr 2,741	Cr 4,269	Cr 1,528
Contribution to Investment Fund	4,400	4,400	4,541	141
Contribution to Growth Fund	0	12,500	12,500	0
Further Contribution to Growth Fund (subject to approval)	0	0	7,024	7,024
Contribution to Business Rates Risk Reserve	0	0	3,000	3,000
Funding for One-Off Member Initiatives	0	0	750	750
Contribution to Other Reserves	0	701	701	0
Utilisation of Prior Year Collection Fund Surplus	Cr 2,964	Cr 2,964	Cr 2,964	0
LRB receipt	0	0	Cr 44	Cr 44
Levies	1,427	1,427	1,427	0
Total Central Items	14,125	14,272	22,666	8,394
Total Variation on Services and Central Items	203,830	205,500	208,384	2,884
Prior Year Adjustments	0	0	Cr 1,577	Cr 1,577
Total Variation	203,830	205,500	206,807	1,307
Carry forwards from 2015/16 to 2016/17	0	0	Cr 1,702	Cr 1,702
Net Variation (after allowing for carry forwards)	203,830	205,500	205,105	Cr 395

3.1.3 A detailed breakdown of the Latest Approved Budgets and Provisional Final Outturn across each Portfolio, together with an analysis of variations, is shown in Appendix 2.

3.2 Central Contingency Sum

3.2.1 The 2015/16 Central Contingency contained various provisions which reflected uncertainty around potential costs, grants and service pressures. There is a total net variation of £0.9m relating to provisions that were not required in the 2015/16 financial year, subject to the approval to release a total of £589k as detailed below. Further details of the allocations from, and variations in, the 2015/16 Central Contingency are included in Appendix 3.

	£'000
Reduction in Education Services Grant	478
Staff Merit Awards	111
	589

- (a) as a result of the 14 academy conversions that occurred during 2015/16, there is a shortfall of income on the Education Services Grant budget of £478k. The effect of the reduction in grant has been included in Central Contingency, and it is requested that this amount be drawn down and allocated to the Education Portfolio.
- (b) as part of the introduction of Localised Pay, Members agreed a merited reward for exceptional performers and a provision of £200k was included in the Central Contingency. A request is made to drawdown £111k to fund the expenditure for the rewards in 2015/16. The remaining balance of £89k has been included in the carry forward requests as detailed in appendix 5.
- 3.2.2 In addition, the sum of £45k relating to Deprivation of Liberty, has been returned to the Central Contingency. The 2015/16 budget included growth pressures of £628k to cover additional costs relating to Deprivation of Liberty Safeguards (DoLS) following a Supreme Court judgement which had resulted in an increase in the number of applications submitted to Court. £314k of this sum was allocated to the Care Services Portfolio with the balance being held in the Contingency. However, not all of the funding was required in-year and £45k has therefore been returned as unused.
- 3.2.3 As detailed in a report elsewhere on the agenda, Members are requested to agree that a sum of £47,400 be set aside from the 2015/16 underspends in the Central Contingency to be used as match funding for the development work for the first round application to the HLF for the Biggin Hill Memorial Museum. A request for this sum to be carried forward is included in appendix 5.
- 3.2.4 There is a requirement to build a database that holds all of the information currently held on the Council's Contract Register along with additional information such as waivers approved, gate reports, audit issues, risks, etc. The new system will RAG status contracts automatically when they are due to end (currently officers do this manually which takes up quite a lot of officer time) and the database will link into the Council's finance system for the latest approved budget and projected expenditure, avoiding many of the manual processes which are currently undertaken. Some of this work can be undertaken within existing resources but a one off sum of £50k is required to fully develop the database and automate the manual processes. If agreed, it is anticipated that this work will be completed within the next 6 months. Members are requested to agree that a sum of £50k be set aside from underspends in the 2015/16 Central Contingency to meet the cost of this development. A request for this sum to be carried forward is included in appendix 5.

3.2.5 It is proposed that the overall underspends remaining, including those in the Central Contingency, will be utilised to provide one-off funding for the Council's Growth Fund to provide investment for economic development (see section 4.2). Economic development is a key priority for the Council, creating employment opportunities and generating additional income through business rate growth, investment income and new homes bonus.

3.3 General Fund Balances

3.3.1 Subject to approval of the proposals detailed in this report, and taking account of the final outturn on Portfolio budgets and Central Items, there will be no variation to the level of general reserves as at 31st March 2016 as detailed below:

	2015/16 Provisional Outturn £'000
General Fund Balance as at 1st April 2015	Cr 20,000
Net Variations on Services & Central Items (para 3.1)	Cr 395
Variations in Business Rates Retention Scheme and General Government Grants	Cr 1,275
	Cr 21,670
Adjustments to Balances:	
Carry Forwards (funded from underspends in 2014/15)	1,670
General Fund Balance as at 31st March 2016	Cr 20,000

3.4 Prior Year Adjustments resulting in a Net Credit Provision in the Accounts of £1,577k

3.4.1 As referred to in the last budget monitoring report, provisions made in prior years for Learning Disability and Mental Health services are no longer required and have therefore been released in 2015/16 resulting in a credit of £400k (compared to £350k previously reported). Although there is some evidence of additional unknown clients coming through, it is not at the same level as previously seen.

3.4.2 At the end of 2014/15 provision was made for a potential loss of Housing Benefit subsidy for Local Authority errors and administrative delay overpayments. This element of subsidy is based on the value of errors above a set threshold and it is prudent to allow for a reduction in subsidy as a result of any errors that might be picked up and extrapolated as part of the audit of the final subsidy claim. The claim has now been audited and, in addition to the provision of £459k which is no longer required, DWP has agreed an additional amount of £138k subsidy relating to the classification of overpayments.

3.4.3 A provision for termination costs relating to a transferred service has been held for some years against the possibility of potential claims for redundancy, legal costs and compensation at the ceasing of the contract. The likelihood is getting smaller that there will be any call on this funding so the £300k provision has been released.

3.4.4 In line with accounting requirements, provision is made against bad and doubtful debts arising from the non-collection or write off of income. This is across all services including council tax, business rates, housing benefits, parking enforcement and all other general income streams. These provisions are reviewed annually and, as part of the 2015/16 closing, there has been an overall net reduction of £496k in the required provision.

- 3.4.5 A credit of £250k (previously reported £225k) relates to backdated Council Tax benefits adjustments which, under the new Council Tax Support Scheme, do not result in a corresponding reduction in subsidy.
- 3.4.6 Following Skills Funding Agency scrutiny of the 2014/15 Adult Education outturn report submitted in October, notification was received that there would be a clawback of £122k in 2015/16 mainly related to mandated ESOL funding and 24+ Advanced Learning Loans. In the main, this is because the volume of learners expected did not materialise to generate all of the funding allocated. The SFA have since discontinued elements of this funding and the Adult Education Service have re-organised which will mitigate any future impact on the service moving forward.
- 3.4.7 There is a charge of £344k relating to a tax liability from previous years. Details were reported to the Executive on 23rd March 2016 as a Part 2 supplementary report.

3.5 Impact on Future Years

- 3.5.1 The report identifies expenditure pressures which could have an impact on future years. The main areas to be considered at this stage are summarised in the following table:

	2015/16 Budget £'000	2016/17 Impact £'000
Care Services Portfolio		
Assessment & Care Management	23,591	Cr 603
Learning Disabilities Care Management	3,655	198
Early Achievement of Savings *	0	Cr 2,192
		Cr 2,597
Environment Portfolio		
Waste	18,087	Cr 270
Highways (inc. London Permit Scheme)	7,219	145
		Cr 125
Resources Portfolio		
Investment Income	Cr 7,396	Cr 995
		Cr 995
TOTAL		Cr 3,717
* reflects savings achieved in 2015/16 across the whole Portfolio. The full year effect of these savings are already reflected in the 2016/17 budget.		

- 3.5.2 Given the significant financial savings that the Council will need to make over the next four years, it is important that all future cost pressures are contained and that savings are identified early to mitigate these pressures.
- 3.5.3 Further details, including action to be taken to contain future cost pressures, are included in Appendix 4.

3.6 Interest on Balances

- 3.6.1 A rate of 1% was assumed in the 2015/16 budget for interest on new investments and the budget for net interest earnings was set at £2.7m. Interest rates still show no real sign of increasing and Capita maintain their projection that the Bank of England base rate will not rise until early 2017. There have been no improvements to counterparty credit ratings, which means that the restrictions to investment opportunities that followed ratings downgrades in recent years have still been in place. However, increases in the limits for the two part-nationalised banks (Lloyds and RBS) approved by the Council in October 2014, together with higher rates from longer-term deals placed with other local authorities, higher average balances than anticipated and the strong performance of the CCLA Property Fund, have resulted in a considerable improvement in interest earnings in 2015/16.
- 3.6.2 In the December revenue budget monitoring report, it was estimated that the 2015/16 outturn for interest earnings would be around £1.0m above budget. The final outturn increased to £4.3m, £1.5m above budget, as a result of further investment in the CCLA Property Fund as well as an upturn in dividends received from one of the Diversified Growth Funds. Additional income of £0.8m is included in the 2016/17 budget to reflect the increased interest rates being achieved, partly offset by a reduction to balances as a result of further property acquisitions.
- 3.6.3 Details of the Council's Treasury Management Strategy were reported to Council on 22nd February 2016.

4 EARMARKED RESERVES

- 4.1 As reported to the Executive previously, the Council has reduced its level of general reserves (general fund reserves in 1997 were £131 million). Part of the reduction reflects funding directed towards the Growth Fund and the Investment Fund. These funds will help support the achievement of sustainable savings and income to the Council.
- 4.2 **Growth Fund**
- 4.2.1 A key priority for the Council is economic development and inward investment which was reflected in the Local Plan report to Executive in February 2013. Supporting economic growth and new investment creates employment opportunities, potentially reduces the cost of council tax support and generates income through business rates, new homes bonus and other investment opportunities.
- 4.2.2 Members have previously approved the allocation of £10m to be ring-fenced for investments which support growth in the Biggin Hill area (£3.5m), Cray Corridor (£3.5m) and Bromley Town Centre (£3m). There are further opportunities to support economic development and on 5th October the Chancellor set out plans to fully devolve 100% of business rates to local government (includes GLA for London) by 2020. Although this change is expected to be cost neutral, it will provide an opportunity to generate additional income through the uplift in business rate income arising from economic growth as the Council will retain a higher share. Generating additional income will become more critical as the Council will lose core government funding in the future.
- 4.2.3 Following consideration by the Executive on 2nd December 2015, Council approved that £6.5m of the 2015/16 underspend on services and the Central Contingency be transferred to the Growth Fund. The transfer of a further £6m in one-off funding was agreed by Council following consideration by the Executive on 23rd March 2016.

- 4.2.4 The Council will continue to seek opportunities to invest in growth and economic development and a “Growth Fund Review” was reported to the Executive on 18th May 2016. This report sought to provide a strategic review of growth projects and set out a series of proposed recommendations for the next stage of the work programme. The report also identified significant opportunities available, subject to the necessary funding being in place.
- 4.2.5 It is proposed to transfer the remainder of the underspends on the Council’s budget to the Growth Fund. As set out in para. 3.1, this would result in the transfer of a further £7m into the Growth Fund for 2015/16. A detailed analysis of this Fund is provided in the Capital Programme Outturn report elsewhere on the agenda. As at 31st March 2016 the unallocated balance (after allowing for the approved expenditure in para. 4.2.2) was £12.5m which will increase to £19.5m should the proposed transfer be agreed.
- 4.2.6 The setting aside of this additional funding will also require the approval of Council and any future release of these monies will be subject to a detailed report to Members for approval.

4.3 **Investment Fund**

- 4.3.1 At the meeting of the Executive on 14th January 2015, as part of the draft 2015/16 budget, Members agreed the setting aside of the 2015/16 New Homes Bonus as a contribution to the earmarked reserve for the Investment Fund. The Fund is used primarily for property investments to enable the Council to achieve investment income which exceeds treasury management rates. As at 31st March 2016, the uncommitted balance on the Fund stood at £18.6m (including £16.2m allocation set aside from capital receipts).
- 4.3.2 As part of the 2016/17 draft budget Members agreed to the setting aside of the 2016/17 New Homes Bonus (£7.4m) which will increase the uncommitted balance on the Fund to £26m.
- 4.3.3 The Council’s acquisition of investment properties through utilisation of the Investment Fund has resulted in actual and planned property acquisitions generating potential income of £3.7m per annum with further income of £1.3m assumed in the 2016/17 budget (net income of £4.5m after allowing for foregone interest earnings from treasury management).
- 4.3.4 A detailed analysis of this Fund is provided in the Capital Programme Outturn report elsewhere on the agenda.

4.4 **Business Rates Risk Reserve**

- 4.4.1 Under the recently introduced Business Rates Retention Scheme, it has become increasingly difficult to forecast the level of business rates income that the Council can retain and this is compounded by the level of downward revaluations and successful appeals. The number and estimated value of outstanding appeals provides a significant challenge in forecasting income levels with any degree of accuracy. This could well result in further volatility in 2016/17 and future years.
- 4.4.2 Following consideration by the Executive on 23rd March 2016, Council agreed to set aside £3m in an earmarked reserve to provide a general provision to reflect the financial risks relating to the Council’s share of business rate income. This provision would cover potential changes relating to the backlog of outstanding valuation appeals and uncertainty relating to government funding to meet the loss of income arising from changes to small business rate relief and increasing the associated thresholds announced as part of the Chancellor’s 2016 Budget.

4.5 Better Care Fund (BCF) Objectives

- 4.5.1 In view of the ambitious programme to deliver BCF Objectives, an element of the budget has required re-profiling into 2016/17. On 22nd February 2016, Council agreed that a sum of £3,100k be set aside as an earmarked reserve in order to allow the continuation of agreed joint schemes and to be used as pump priming investment for more cost effective delivery models across Health and Social care in Bromley.

4.6 Other Earmarked Reserves

- 4.6.1 A summary of the actual balances as at 31st March 2016 on the earmarked reserves set out above and all other earmarked reserves is provided in Appendix 6. An analysis of the Invest to Save Fund is also provided in Appendix 9.

5 CONTINGENT LIABILITIES AND PROVISIONS

- 5.1 Details of contingent liabilities and provisions will be included in the draft statement of accounts which will be available for audit at the end of June. Large provisions as at 31st March 2016 include unsettled insurance claims (£1.6m), NNDR and Council Tax credit balances (£2.6m), backdated business rates appeals (£2.1m), and potential further redundancy costs (£1.1m).

6 CAPITAL EXPENDITURE AND RECEIPTS

6.1 Capital Expenditure

- 6.1.1 The final capital outturn (actual expenditure) for the year was £76.2m, compared with the original estimate of £64.2m approved by the Executive in February 2015 and with the latest approved budget of £81.3m agreed in February 2016 (adjusted for the further £3.7m approved in March 2016 for property acquisitions). At that time, further slippage of £2.5m was assumed for capital financing purposes so the overall variation in the capital financing requirement (capital receipts, government grants, other external contributions and revenue contributions) is £2.6m.

- 6.1.2 Most of the variation was due to slippage of expenditure into later years. Further details are included in the capital outturn report elsewhere on this agenda.

6.2 Capital Receipts

- 6.2.1 Under the “prudential” capital system in operation from 1st April 2004, most capital receipts are “useable” and may be applied to finance capital expenditure. Available capital receipts totalled £36.2m, including an unapplied balance of £28.9m brought forward from 2014/15. A total of 3.4m was applied in 2015/16 and a balance of £32.8m has been carried forward to finance capital expenditure in future years. No capital contribution from the General Fund was required in 2015/16. Further details are included in the capital outturn report elsewhere on this agenda.

7 TREASURY MANAGEMENT - BORROWING AND INVESTMENT

- 7.1 The Authority's borrowing and investments have been reported quarterly to the Executive and Resources PDS Committee and the Resources Portfolio holder during 2015/16. The final outturn report (including details of activity in the 4th quarter) will be considered by the Executive and Resources PDS Committee on 7th July 2016. As at 31st March 2016, the balance of investments (including accrued interest) stood at £288.2m. At that date, the Council had a total of £24.4m short term temporary borrowing which was fully repaid by 4th April 2016. This was primarily due to activity in quarter four, mainly relating to the purchase of 3 investment properties and an anticipated capital receipt not being realised. As at 31st March 2015 there was no temporary borrowing and £256.7m total investments.
- 7.2 Further details will be provided in the Treasury Management Annual Report to Executive and Resources PDS Committee on 7th July 2016.

8 SECTION 106

- 8.1 An update on balances as at 31st March 2016 is included in Appendix 7 of this report. Further details on the arrangements for utilising Section 106 monies will be provided in the "Section 106 Agreements: Update" report to Executive and Resources PDS Committee on 7th July 2016.

9 THE SCHOOLS BUDGET

- 9.1 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.
- 9.2 There is a total in-year overspend of £1,464k on DSG funded services, with a total to carry forward to 2016/17 of £3,683k. Subject to approval, surplus funds may be given to schools as a one off payment, carried forward centrally to offset any future unknown pressures, or a combination of the two. Further details of the in-year variation and plans for spending some of the amount carried forward are provided in Appendix 8.

10 ACADEMIES

- 10.1 During the 2015/16 financial year 14 schools have converted to academy status.
- 10.2 The impact of these arrangements is that when schools convert to academy status their balances are removed from the accounts as the schools are autonomous and no longer under Bromley's control and therefore have their own financial arrangements in place. This generally results in a reduction in maintained balances. During 2015/16 total balances have reduced from £4,544k to £4,017k.
- 10.3 Further details of schools' balances are provided in Appendix 8.

11 COLLECTION FUND

- 11.1 It is a statutory requirement to maintain a Collection Fund at arm's length from the remainder of the Council's accounts. The Fund is credited with income from Council Tax and Business Rates and charged with sums payable to the Council, GLA and Central Government.

- 11.2 There is a Council Tax surplus on the fund in 2015/16 of £8.0m. The surplus income is mainly due to good debt recovery levels despite the previous recessionary period, an increase in new properties in the borough and the successful impact of action following the data matching exercise on single person discounts. The financial impact of the council tax support scheme was also lower than budgeted. A sum of £1.6m will be allocated to the GLA and £6.4m to the Council in 2017/18.
- 11.3 There is an overall deficit of £1.2m relating to the collection and distribution of Non Domestic Rates under the recently introduced Business Rates Retention Scheme. This is mainly due to downward revaluations of properties during the year and an increase in the provision for outstanding appeals based on more recent information from the Valuation Office Agency. This highlights the challenges of predicting accurate levels of retained business rates under the new scheme and the volatility of projections arising from successful appeals. Of the 2015/16 deficit, £0.6m will be allocated to Central Government, £0.2m to the GLA and £0.4m to Bromley. In accordance with statutory provisions, this will be distributed in 2016/17 and has already been reflected in 2016/17 budget.
- 11.4 The volatility arising from the level of downward revaluations and outstanding appeals provides a significant challenge in accurately forecasting the level of business rates income that the Council can retain. Although the in-year deficit has already been reflected in the 2016/17 budget, there may well be further volatility during 2016/17 and in future years.
- 11.5 A further complexity arises from the timing of income with a requirement for business rates to be accounted for through the Collection Fund. This means that in-year surpluses or deficits are distributed in either of the following two years, depending on when they are provisionally estimated, with any resulting variations from those provisional estimates being adjusted in the subsequent year.
- 11.6 In addition, funding provided by way of Section 31 grant to compensate authorities for reduced rating income associated with business rates measures announced in the 2013, 2014 and 2015 Autumn Statements are allocated directly to the general fund in the year they are due. This can result in the Collection Fund having an in-year surplus or deficit (which will impact on the general fund in a future year) whilst the general fund has an in-year variation relating to the receipt of these grants and the distribution of prior year Collection Fund variations.
- 11.7 The overall impact in 2015/16 is a deficit of £1.2m on the collection fund as detailed in para. 11.3 (£0.4m of which will be distributed to the Council in 2016/17) and a net credit variation in the Council's general fund of £1.3m.
- 11.8 There is expected to be underlying growth in business rates in 2016/17 and the Council will benefit from its respective share of 30%.

12 FINANCIAL CONTEXT

- 12.1 The 2016/17 Council tax report identified the latest financial projections and a future year budget gap due to the impact of inflation, service and cost pressures and ongoing significant reductions in government funding. More details were reported in the "2016/17 Council Tax" report to Executive in February.

- 12.2 The provisional 2015/16 outturn identifies underspends from prior year adjustments, departmental spend and the Council's central contingency sum. In addition there are savings from the early release of 2016/17 Budget savings and changes to the treasury management strategy to improve investment returns. The underspends from the central contingency sum mainly relate to ongoing action to contain growth pressures, stringent cost controls, management of risk, effective use of government funding and meeting income targets.
- 12.3 As reported as part of the Council's financial strategy, a prudent approach has been adopted in considering the central contingency sum to mitigate against financial risks to partly reflect the significant changes that may follow a new Government. The approach also includes an ongoing 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. The contributions made to the Growth Fund will greatly assist in providing a more sustainable financial position for the Council as it moves to become "self-sufficient" in the longer term with the ongoing need to address the budget gap of £26m per annum by 2019/20 reported to Executive in February 2016.
- 12.4 The Council's general reserves remain at £20m, whilst a future years "budget gap" continues. However there is flexibility in the Council's overall resources (including earmarked reserves) to allow this position to be revised in the future. The approach to reserves was reported in the 2016/17 Council Tax report to Executive in February 2016.

13 STATUTORY ACCOUNTS

- 13.1 The audited statutory accounts for 2015/16 will be reported to the General Purposes and Licensing Committee meeting on 14th September 2016, which meets the statutory deadline of 30th September 2016 for reporting accounts under the Accounts & Audit Regulations 2015.

14 POLICY IMPLICATIONS

- 14.1 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.
- 14.2 The "2016/17 Council Tax" report highlighted the financial pressures facing the Council. It remains imperative that strict budgetary control continues to be exercised in 2016/17 to minimise the risk of compounding financial pressures in future years.
- 14.3 Chief Officer's comments are included in Appendix 1B.

15 FINANCIAL IMPLICATIONS

- 15.1 These are contained within the body of the report with additional information provided in the appendices.

Non-Applicable Sections:	Legal, Personnel
Background Documents: (Access via Contact Officer)	<p>2016/17 Council Tax – Executive 10th February 2016;</p> <p>Budget Monitoring Reports in 2015/16 – Executive;</p> <p>Financial Management Budget Monitoring files across all Portfolios;</p> <p>2015/16 Budget Monitoring file held by Technical and Control Finance Section;</p> <p>Provisional final Accounts - Executive 10th June 2015;</p> <p>Draft 2015/16 Budget and Update on Council's Financial strategy 2016/17 to 2018/19 - Executive 14th January 2015;</p> <p>Capital Programme Outturn 2015/16 (elsewhere on the agenda).</p>

GENERAL FUND - PROVISIONAL OUTTURN FOR 2015/16

Portfolio	2015/16 Original Budget £'000	Budget Variations allocated in year #	2015/16 Final Approved Budget £'000	2015/16 Provisional Final Outturn £'000	Variation £'000	Variation previously reported to Exec 23/03/16 £'000
Care Services	102,794	Cr 1,986	100,808	96,458	Cr 4,350	Cr 3,646
Education (incl. Schools' Budget)	5,124	964	6,088	6,110	22	320
Environment	32,095	1,046	33,141	32,092	Cr 1,049	Cr 139
Public Protection & Safety	2,120	5	2,125	2,015	Cr 110	Cr 35
Renewal and Recreation	9,214	189	9,403	9,042	Cr 361	Cr 235
Resources	37,869	1,364	39,233	37,919	Cr 1,314	Cr 638
Total Controllable Budgets	189,216	1,582	190,798	183,636	Cr 7,162	Cr 4,373
Capital and Insurances (see note 2)	20,980	Cr 13,385	7,595	7,595	0	0
Non General Fund Recharges	Cr 793	Cr 34	Cr 827	Cr 827	0	0
Total Portfolios (see note 1)	209,403	Cr 11,837	197,566	190,404	Cr 7,162	Cr 4,373
Adj for Carry Forwards from 2015/16 to 2016/17	0	0	0	1,702	1,702	0
Capital, Insurance & Pension Accounting Requirements	Cr 19,698	13,360	Cr 6,338	Cr 6,388	Cr 50	0
	189,705	1,523	191,228	185,718	Cr 5,510	Cr 4,373
Central Items:						
Interest on General Fund Balances	Cr 2,741	0	Cr 2,741	Cr 4,269	Cr 1,528	Cr 1,000
Contingency Provision (see Appendix 3)	14,003	Cr 13,054	949	0	Cr 949	Cr 5,487
Other central items						
Contribution to Investment Fund	4,400	0	4,400	4,541	141	141
Utilisation of Prior Year Collection Fund Surplus	Cr 2,964	0	Cr 2,964	Cr 2,964	0	0
Contribution to Growth Fund (Council 14.12.15)	0	6,500	6,500	6,500	0	0
Contribution to Crystal Palace Park Improvements (Exec 22.7.14)	0	240	240	240	0	0
Contribution to One-off Member Initiatives (Council 22.02.16)	0	0	0	750	750	750
Funding for Non-Recurring Expenditure 16/17 (Exec 23.03.16)	0	461	461	461	0	461
Contribution to Business Rates Risk Reserve (Council 11.04.16)	0	0	0	3,000	3,000	2,800
Contribution to Growth Fund (Council 11.04.16)	0	6,000	6,000	6,000	0	6,000
Subject to Approval Executive 15th June 2016						
Contribution to Growth Fund	0	0	0	7,024	7,024	0
LRB Receipts	0	0	0	Cr 44	Cr 44	0
Levies	1,427	0	1,427	1,427	0	0
Total other central items	2,863	13,201	16,064	26,935	10,871	10,152
Carry Forwards from 2015/16 to 2016/17	0	0	0	Cr 1,702	Cr 1,702	0
Prior Year Adjustments						
Housing Benefits	0	0	0	Cr 597	Cr 597	Cr 597
Adult Education grant clawback	0	0	0	122	122	122
Tax liability	0	0	0	344	344	344
Backdated Council Tax Benefit adjustments	0	0	0	Cr 250	Cr 250	Cr 225
Provision for redundancies re transferred services	0	0	0	Cr 300	Cr 300	Cr 300
Learning Disabilities	0	0	0	Cr 235	Cr 235	Cr 200
Mental Health	0	0	0	Cr 165	Cr 165	Cr 150
Net Reduction in Bad Debt Provision	0	0	0	Cr 496	Cr 496	0
Total Prior Year Adjustments	0	0	0	Cr 1,577	Cr 1,577	Cr 1,006
Total All Central Items	14,125	147	14,272	19,387	5,115	2,659
Bromley's Requirement before balances	203,830	1,670	205,500	205,105	Cr 395	Cr 1,714
Carry Forwards from 2014/15 (see note 3)	Cr 1,186	Cr 1,186	0	1,186	1,186	1,186
Carry Forward from 2014/15 Delegated Authority - R&M	Cr 484	Cr 484	0	484	484	484
Adjustment to Balances	0	0	0	0	0	185
Revenue Support Grant	203,830	0	203,830	205,105	1,275	141
Business Rates Retention Scheme (Retained Income, Top-up and S31 Grants)	Cr 32,971	0	Cr 32,971	Cr 32,971	0	0
New Homes Bonus	Cr 4,400	0	Cr 4,400	Cr 4,541	Cr 141	Cr 141
New Homes Bonus Top Slice	Cr 760	0	Cr 760	Cr 537	Cr 223	0
Local Services Support Grant	Cr 89	0	Cr 89	Cr 89	0	0
Collection Fund Surplus	Cr 2,300	Cr 593	Cr 2,893	Cr 2,927	Cr 34	0
Bromley's Requirement	128,901	0	128,901	128,901	0	0
GLA Precept	36,913	0	36,913	36,913	0	0
Council Tax Requirement	165,814	0	165,814	165,814	0	0

Budget Variations allocated to portfolios in year consists of:

1) Carry forwards from 2014/15 (see note 3)	£'000	1,670
2) Capital, Insurance & Pension Accounting Requirements (see note 2)	Cr	13,360
3) Allocations from the central contingency provision (see Appendix 3)	Cr	147
	Cr	11,837

1) NOTES

Portfolio Latest Approved Budgets analysed over Departments as follows:

	2015/16 Original Budget £'000	Budget Variations allocated in year #	2015/16 Final Approved Budget £'000	2015/16 Provisional Final Outturn £'000	Variation £'000	Variation previously reported to Executive £'000
Education Care & Health Services	130,780	2,163	132,943	128,611	Cr 4,332	Cr 3,244
Environmental & Community Services	54,013	Cr 12,297	41,716	40,418	Cr 1,298	Cr 469
Chief Executive's Department	24,610	Cr 1,703	22,907	21,375	Cr 1,532	Cr 660
	209,403	Cr 11,837	197,566	190,404	Cr 7,162	Cr 4,373

2) Reversal of Net Capital Charges

This is to reflect the technical accounting requirements contained in CIPFA's Code of Practice for Local Authority Accounting and has no impact on the Council's General Fund.

3) Carry Forwards from 2014/15

Carry forwards from 2014/15 into 2015/16 totalling £1,670k were approved by the Executive and under the delegated authority of the Director of Finance. Full details were reported to the June meeting of the Executive in the "Provisional Final Accounts 2014/15" report.

Comments from the Education, Care and Health Services Department

Care Portfolio

Overall the current outlook in the Care Services Portfolio is positive with a £4,354k controllable budget underspend predicted for the financial year. Costs of placements in Adult Social Care are being contained and the budget is benefitting from further underspends in learning disabilities and mental health services.

Commissioning activity continues to secure value for money in placements and makes a significant contribution to ameliorating the pressures.

Housing continues to exert very considerable pressures on our budgets and although covered by contingencies following the very early recognition of these pressures, Members will note that we are not predicting any significant changes in pressures from those seeking temporary accommodation.

Children's Social Care continues to see pressures although overall these have been contained this year.

The Portfolio will continue to closely monitor its activities and look to future years where the funding will become an even greater challenge.

Education Portfolio

Although the travel training programme continues with success and has contributed to improved outcomes and helps address annual volume increases, SEN transport has overspend by £385k. A significant part of this relates to the cost of the new contracts which commenced on 01/09/2015 with a revised pricing framework which, with no provision for inflation over the life of the contracts, are assumed to have front-loaded inflationary increases.

The Youth Services full year savings of £506k for 2015/16 was not achievable due to the requirement to undertake a restructure of the service and consult with staff. The consultation is now complete and the new structure is in place, with a projected full year effect of £62k overspend in 2016/17. This projected overspend is as a result of unexpected loss of income. Management are working hard to identify new income streams for 2016/17 to address the shortfall.

There is also a projected overspend in the Youth Offending Team; as a consequence of the outcome of the recent HMIP inspection, it has been necessary to delay the planned restructure of the service and employ additional staff. In addition there have been in year savings made to the Youth Justice Grant by the Ministry of Justice. The review of the existing service and interim measures required to address immediate operational delivery requirements will result in an overspend of £95k. Every effort will be made to reduce the overspends.

Comments from the Director of Transformation and Regeneration (Resources Portfolio)

Strategic Property Services has a net underspend of £348k for 2015/16. This is due to reduced expenditure on Investment and Non-Operational Property of £187k, additional net rental income of £60k and an underspend of £101k for the Strategic Property Division due to a number of vacant posts. The additional properties bought during 2015/16 have contributed to an increased income target for next financial year.

Renewal and Recreation Portfolio

Overall, the controllable budget for the Renewal and Recreation Portfolio is underspent by £361k, however after removing the carry forward items totalling £325k, this underspend reduces to £36k.

The overspend of £96k within Culture mainly relates to the additional running costs of the Priory Museum as closure was delayed until half way through the year. This together with a one-off payment required for disputed items at the Churchill Theatre is more than offset by the underspend of £101k on libraries due to strike action.

There are other net variations of Cr £31k across the rest of the Portfolio.

Comments from the Executive Director of Environment and Community Services**Environment Portfolio:**

Overall, the controllable budget for the Environment Portfolio is underspent by £1,049k. Excluding carry forward requests totalling £306k, the underspend is £743k.

Tree maintenance has overspent by £133k due to a number of works that had to be carried out relating to unpredictable emergency callouts, root pruning and post 2013/14 storm remedial works.

The improving performance by utility companies in the area of defect notices has resulted in lower charges being raised by the Council resulting in income being £397k below budget.

These overspends totalling of £560k are more than offset by underspends of £1,303k across other areas of the portfolio budget, which is mainly the result of an over achievement of income in Parking and Waste, along with staff vacancies and winter service.

It should be noted that £200k of the parking fee income is being used to offset the impact of the change in legislation around the use of CCTV for parking enforcement and £85k is being used to offset the shortfall of income from defect notices. Other underspends are the result of several budget options being delivered early.

Care Services Portfolio Budget Monitoring Summary

2014/15 Actuals	Division Service Areas	2015/16 Original Budget £'000	2015/16 Final Approved £'000	2015/16 Provisional Outturn £'000	Variation	Notes	Variation Last Reported £'000	Full Year Effect
£'000		£'000	£'000	£'000	£'000		£'000	£'000
EDUCATION CARE & HEALTH SERVICES DEPARTMENT								
Adult Social Care								
25,785	Assessment and Care Management	23,630	23,591	22,665	Cr 926	1	Cr 463	Cr 603
3,389	Direct Services	3,200	2,674	2,516	Cr 158	2	Cr 263	0
3,532	Learning Disabilities Care Management	3,879	3,655	3,657	2	3	Cr 19	198
1,949	Learning Disabilities Day and Short Breaks Service	1,953	982	838	Cr 144	4	Cr 72	0
1,326	Learning Disabilities Housing & Support	1,250	660	745	85	4	Cr 72	0
35,981		33,912	31,562	30,421	Cr 1,141		Cr 745	Cr 405
Operational Housing								
Cr 1	Enabling Activities	Cr 1	Cr 1	Cr 1	0		0	0
Cr 1,594	Housing Benefits	Cr 2,122	Cr 2,122	Cr 2,350	Cr 228		0	0
5,683	Housing Needs	5,638	6,315	6,358	43		50	55
	Housing funds held in contingency	0	0	0	0		0	Cr 55
4,088		3,515	4,192	4,007	Cr 185	5	50	0
Strategic and Business Support Service								
1,807	Strategic & Business Support	2,143	2,132	1,926	Cr 206	6	Cr 72	0
298	Learning & Development	305	271	242	Cr 29	6	Cr 40	0
2,105		2,448	2,403	2,168	Cr 235		Cr 112	0
Children's Social Care								
16,897	Care and Resources	17,358	17,206	16,747	Cr 459	7	Cr 128	Cr 37
1,783	Safeguarding and Quality Assurance	1,482	1,495	1,853	358		Cr 201	0
3,420	Safeguarding and Care Planning	5,520	5,616	5,682	66		Cr 47	0
3,583	Early Intervention and Family Support	1,149	1,164	1,113	Cr 51		Cr 20	0
2,101	Children's Disability Service	2,379	2,453	2,343	Cr 110		Cr 177	0
27,784		27,888	27,934	27,738	Cr 196		Cr 37	Cr 37
Commissioning								
3,101	Commissioning					8		
	- Net Expenditure	4,283	4,278	3,899	Cr 379		Cr 284	0
	- Recharge to Better Care Fund	Cr 1,535	Cr 1,535	Cr 1,301	234		Cr 183	0
1,199	Information & Early Intervention					9		
	- Net Expenditure	1,265	1,265	1,187	Cr 78		Cr 50	0
	- Recharge to Better Care Fund	Cr 1,265	Cr 1,265	Cr 1,187	78		Cr 50	0
24,054	Learning Disabilities	24,694	24,293	23,740	Cr 553	10	Cr 684	0
5,765	Mental Health Services	6,514	6,176	6,092	Cr 84	11	Cr 97	0
1,779	Supporting People	1,413	1,413	1,413	0	12	0	0
	Better Care Fund					13		
	- Expenditure	18,331	19,081	18,692	Cr 389		0	0
	- Income	Cr 18,482	Cr 19,232	Cr 18,851	381		0	0
	- Variation on Protection of Social Care	0	0	Cr 312	Cr 312	Cr 233		
	NHS Support for Social Care					14		
11,078	- Expenditure	0	614	266	Cr 348		0	0
Cr 11,759	- Income	0	Cr 614	Cr 266	348	0	0	
35,217		35,218	34,474	33,372	Cr 1,102		Cr 1,115	0
Public Health								
12,238	Public Health	12,582	14,483	13,578	Cr 905	14	Cr 919	Cr 919
Cr 12,601	Public Health - Grant Income	Cr 12,954	Cr 14,855	Cr 13,936	919		Cr 919	919
Cr 363		Cr 372	Cr 372	Cr 358	14		0	0
	Savings achieved early in 2015/16 for 2016/17	0	430	Cr 1,079	Cr 1,509	15	Cr 1,687	Cr 2,192
104,812	TOTAL CONTROLLABLE ECHS DEPT	102,609	100,623	96,269	Cr 4,354		Cr 3,646	Cr 2,634
1,375	TOTAL NON CONTROLLABLE	378	2,593	2,593	0		82	0
10,398	TOTAL EXCLUDED RECHARGES	9,404	8,950	8,950	0		0	0
116,585	TOTAL ECHS DEPARTMENT	112,391	112,166	107,812	Cr 4,354		Cr 3,564	Cr 2,634
Environmental Services Dept - Housing								
169	Housing Improvement	185	185	189	4		0	0
169	TOTAL CONTROLLABLE FOR ENV SVCES DEPT	185	185	189	4		0	0
104	TOTAL NON CONTROLLABLE	Cr 600	407	407	0		0	0
364	TOTAL EXCLUDED RECHARGES	329	327	327	0		0	0
637	TOTAL FOR ENVIRONMENTAL SVCES DEPT	Cr 86	919	923	4		0	0
117,222	TOTAL CARE SERVICES PORTFOLIO	112,305	113,085	108,735	Cr 4,350		Cr 3,564	Cr 2,634

Reconciliation of Latest Approved Budget	£'000
2015/16 Original Budget	112,305
Carry forwards:	
Social Care funding via the CCG under s256 (Invest to Save)	
<i>Dementia:</i>	
- expenditure	122
- income	Cr 122
<i>Physical Disabilities:</i>	
- expenditure	87
- income	Cr 87
<i>Impact of Care Bill</i>	
- expenditure	105
- income	Cr 105
<i>Integration Fund - Better Care Fund</i>	
- expenditure	300
- income	Cr 300
<i>Welfare Reform Grant</i>	
- expenditure	65
- income	Cr 65
<i>Helping People Home Grant</i>	
- expenditure	28
- income	Cr 28
<i>Winter Resilience</i>	
- expenditure	15
- income	Cr 15
<i>Adoption Reform Grant</i>	
- expenditure	285
- income	Cr 285
<i>Tackling Troubled Families Grant</i>	
- expenditure	887
- income	Cr 887
Other:	
Housing Regulations Grant	
- expenditure	3
- income	Cr 3
Social Care Innovation Grant	
- expenditure	100
- income	Cr 100
Youth on Remand (LASPO) Reduction in Grant	
- expenditure	18
- income	18
Transfer of Housing Strategy from R&R	
ASC Early Intervention Service restructure	51
Deprivation of Liberty Safeguards Grant	Cr 10
- expenditure	127
- income	Cr 127
Independent Living Fund Grant	
- expenditure	526
- income	Cr 526
Public Health Grant - Transfer of 0 - 5 years (Health Visitors)	
- expenditure	1,901
- income	Cr 1,901
Increase in Cost of Homelessness/Impact of Welfare Reforms	
LD Certitude pensions costs	649
Post transferred to Corporate Services	Cr 33
Care Act Government Funding	Cr 15
Care Act Better Care Funding	Cr 1,848
Deprivation of Liberty Safeguards partial return of growth	Cr 750
Merit Rewards	Cr 45
Passenger Transport Service Contract - Transfer SEN staff to ECS	Cr 36
Passenger Transport Service Contract - Adjustment with Education	Cr 53
Additional Liberata costs	Cr 32
	Cr 7
	Cr 1,927
2015/16 Latest Approved Budget	110,378
Memorandum Items	
Capital Charges	Cr 47
Deferred Charges (REFCUS)	Cr 841
Impairment	422
Government Grants Deferred	2,003
Insurance	17
Rent Income	78
Repairs & Maintenance	Cr 99
IAS19 (FRS17)	1,689
Excluded Recharges	Cr 515
Reported Latest Approved Budget for 2015/16	113,085

REASONS FOR VARIATIONS

1. Assessment and Care Management - Cr £926k

The underspend in Assessment and Care Management can be analysed as follows:

		<u>Final</u>	<u>Previous</u>
		<u>Variation</u>	<u>Variation</u>
		£'000	£'000
<u>Physical Support / Sensory Support / Memory & Cognition</u>			
Services for 65 +	- Placements	Cr 767	Cr 725
	- Domiciliary Care / Direct Payments	Cr 165	Cr 35
Services for 18 - 64	- Placements	333	283
	- Domiciliary Care / Direct Payments	Cr 119	11
Extra Care Housing		54	103
Staffing		Cr 208	Cr 100
Other		Cr 54	0
		<u>Cr 926</u>	<u>Cr 463</u>

As part of the budget setting process for 2015/16, the full year effects of the overspends in Adult Social Care during 2014/15 as reported in the January 2015 budget monitoring were fully funded. Savings of £250k were also included in the budget for the management of demand at first point of contact.

Services for 65+ - Cr £932k

Since the last report for December residential placements for the 65+ age group have continued to reduce, with a further reduction of 3 fye clients and a reduction in spend of £42k. Final client numbers are 22 below the budgeted numbers. Domiciliary care and direct payments expenditure has also reduced during this period, reducing overall projected spend by a further £130k. The overall final underspend for this age group for the year is £933k.

Services for 18 - 64 year olds - Dr £214k

Since the last report for December residential placements for the 18 -64 age group have reduced by 1 , however there has been an increase in the overspend of £50k to a final reported overspend of £333k. Final client numbers are 4 above the budgeted numbers. Domiciliary care and direct payments expenditure has reduced during this period, reducing overall projected spend by a further £130k. The overall final overspend for this age group for the year is £214k.

Extra Care Housing - Dr £54k

The 3 external extra care housing schemes have outturned with a reduced overspend of £54k, with some of the additional costs charged to the Better Care fund. With the closure of the in-house scheme at Lubbock House in July 2015 and the need to move residents to alternative extra care accommodation, units in the external schemes were being kept vacant in preparation for these transfers. These however incurred a weekly unbudgeted for void cost equivalent to the rental price of the unit and the core costs of care staff, which Bromley had to pay the provider for.

Staffing - Cr £208k

The final underspend has increased to £208k for staffing in the assessment and care management division. This has mainly been due to the level of vacancies in the Division and difficulties in recruiting staff to these posts.

Other - Cr £54k

There are other minor variations in the division, including Car allowances, Cr £17k and Day care costs ,Cr £29k.

Contract Savings

As part of a savings exercise £110k savings have been estimated to be able to be taken across the division as part of contract savings made in year. This will follow through as a full year effect in 2016/17. This element has been removed as part of a savings exercise and is detailed separately in the narrative under paragraph 15.

2. Direct Services - Cr £158k

Extra Care Housing - £0k

The final overspend in the in-house ECH service is analysed as a £460k overspend on staffing and £36k on other running costs, offset by £161k of additional income from service users. High levels of need amongst some service users has resulted in increased staffing requirements in the units and although these costs are chargeable to clients based on their individual assessments, the additional costs outweighed any additional income. Funding of £335k has been made available from the Better Care Fund to offset the cost pressure in the service for 2015/16.

Reablement - £0k

The in-house Reablement service underspent by £189k for the year. The service has been carrying a high number of vacancies and recruitment to these posts has been ongoing with varying degrees of success. As this service generates savings for the council by reducing or preventing the need for domiciliary care packages, it is vital that vacant posts can be recruited to. The service is partly recharged to the Better Care Fund so no variation is shown within this service.

Carelink - Dr £52k

The overspend relates to the non-achievement of savings in the 2015/16 budget which was to reduce the overnight capacity. Officers are looking at how this can be resolved without impacting on the service provision. In addition, there has been reduced income from services provided to a housing association due to the contract with them ending.

Transport - Cr £209k

The in-house transport service was outsourced to GS Plus with effect from 1 December 2015 and the budgets for the new service were transferred to both Assessment and Care Management within the Adult Social Care Division and the Commissioning Division from that date. The final outturn for the service whilst it was in-house shows an underspend of £269k, analysed as £130k underspend on staffing and £139k underspend on transport related costs. £60k of this underspend has been removed as part of a savings exercise and is detailed separately in the narrative under paragraph 15.

3. Learning Disabilities Care Management - Dr £2k

Staffing costs in the LD care management teams overspent by £38k. This was as a result of a delay in the implementation of £100k savings in the 2015/16 budget, which has now been resolved.

The budget for staffing in the team that is responsible for the Shared Lives scheme underspent by £36k as a result of a post being vacant for the year.

4. Learning Disabilities Day , Short Breaks and Housing and Support services - Cr £59k

The LD In-house services moved to a private contractor wef 1 October 2015 and this should release a saving of £200k in 2016/17. For the period prior to this when it was provided in-house, a saving of £59k has been realised.

5. Operational Housing - Cr 185k

There is a projected overspend of £135k relating to increased furniture storage costs, partly offset by a £27k underspend relating to rent deposits.

Executive agreed a drawdown of £649k in December 2015 for the additional costs of Temporary Accommodation. Client numbers have increased on average by 10 a month in 2015/16, lower than the budgeted increase but unit costs are beginning to rise.

These increases have been noticeable across all London Boroughs and are the result of the pressures of rent and mortgage arrears coupled with a reduction in the numbers of properties available for temporary accommodation. There are high levels of competition and evidence of 'out bidding' between London boroughs to secure properties and this has contributed towards the high costs of nightly paid accommodation.

In addition, by necessity there has been increasing use of non-self-contained accommodation outside of London. Although on the face of it this appears beneficial as the charges are lower, the housing benefit subsidy is capped at the Jan 2011 LHA rates (without the 90% + £40 admin formula that self contained accommodation attracts), thus often making these placements more costly than those in London, especially when the monitoring and furniture storage costs are factored in.

The full year effect of the projected overspend is currently anticipated to be a pressure of £55k in 2016/17. However, this only takes account of projected activity to the end of March 2016 and does not include any projected further growth in numbers beyond that point.

Across the Housing Operations area there is an overspend of 73k relating to staffing. The majority of this relates to the Housing Options and Assessments.

The Gypsy Site collected an extra £13k of income in 2015/16 than expected.

An additional £20k of expenditure was incurred for the adaptation to a wheel chair unit and software costs.

Housing Benefits has a variation of £228k credit for 2015/16 with the income received being higher than budgeted and expenditure slightly lower during the year.

6. Strategic and Business Support - Cr £235k

The underspend of £235k can be broken down as follows:

	£'000
Strategic and Business Support Services	Cr 206
Learning & Development	Cr 29
	<u>Cr 235</u>

The underspend on Strategic and Business Support Services relates mainly to salaries budgets (vacancies and delays in recruitment) and centrally controlled running expenses for the whole ECHS Department. This includes staff advertising and DBS checks.

7. Children's Social Care - Cr £196k

The final projected underspend in Children's Social Care is £196k, with the main areas of under / overspending being:

Care and Resources - Cr £459k

Placements - Cr £179k

The budget for children's placements outturned with an underspend of £429k this year. Residential placements were underspent by £679k, whilst Fostering and Adoption placements overspent by £250k. £250k of this underspend has been removed as part of a savings exercise and is detailed separately in the narrative under paragraph 15.

Leaving Care / Unaccompanied Asylum Seeking Children - Cr £191k

The budget for the cost of clients leaving care for 16 and 17 year olds underspent by £217k. For the 18 plus client group there continues to be differences between the amount being paid in rent and the amount reclaimable as housing benefit, mainly due to the welfare reforms. The overspend for this was £150k. Other costs overspent by £39k and income from UASC grant was £163k overachieved.

Staying Put - Cr £48k

Costs relating to children staying on in foster care placements is shown within the placements figure above. These costs have been offset by grant income of £72k

Virtual School - Cr £80k

The budget for the virtual school underspent by £155k this year. £75k of this underspend has been removed as part of a savings exercise and is detailed separately in the narrative under paragraph 15.

Staffing - Dr £60k

Staffing budgets for the service overspent by £60k, including additional costs relating to the Emergency Duty Team.

Other - Cr £21k

Various miscellaneous budgets underspent by £21k during the year

Safeguarding & Quality Assurance - Dr £358k

No Recourse to Public Funds - Cr £53k

The final cost to Bromley for people with no recourse to public funding has reduced from the last reported figure and is now showing an underspend. Additional budget was moved into this area for 2015/16 to deal with the full year effect of an increase in numbers in 2014/15, however during the year overall numbers have fallen from 66 to 48.

Bromley Children's Safeguarding Board - Dr £55k

A shortfall in funding for the board has resulted in an overspend of £55k on the budget. This was reported to member's in January.

Staffing - Dr £364k

The costs of the Recruitment and Retention allowances have been charged to the budget in 2015/16, resulting in an overspend. This is offset by underspends reported elsewhere in the Children's Social Care division.

Other - Cr £8k

Various miscellaneous budgets underspent by £8k during the year

Safeguarding & Care Planning - Dr £66k

Care Proceedings - Dr £284k

Cost's in relation to care proceedings were £284k above the budget provision of £539k. The main areas of overspend are in independent social worker assessments and parenting residential assessments which are largely outside the control of the council.

Staffing - Cr £77k

Staffing budgets for the service underspent by £77k due to vacancies.

Other costs - Cr £141k

Payments in relation to Day Nurseries, Playgroups and Childminding underspent by £66k, whilst those for preventative payments underspent by £74k.

Early Intervention and Family Support - Cr £51k

There were underspends of £11k on staffing budgets and £40k in relation to the Family Contact Centre.

Children's Disability Service - Cr £110k

The final outturn can be analysed as: (i) Staffing underspend £50k, (ii) Short Breaks service underspend £213k, (iii) direct payments overspend £33k. The service received funding from the Social Care Innovation Grant, which offset some of the staffing costs. £120k of this underspend has been removed as part of a savings exercise and is detailed separately in the narrative under paragraph 15.

8. Commissioning - Cr £379k

The net underspend of £379k comprises:

	Variation
	£'000
Staffing and related budgets (net)	Cr 100
Taxicard	Cr 30
Contracts	Cr 322
Other	Cr 32
Savings found early in 2015/16 relating to 2016/17	105
Net underspend	<u>Cr 379</u>

The underspend on Commissioning staffing and related budgets of £100k arises from a combination of savings arising from vacant posts partly offset by the use of agency staff. As part of the contract award for LD former direct care services, funding was set aside for a contract monitoring post and other potential Commissioning costs. There was a delay in appointing to the contract monitoring post and Commissioning costs have been contained where possible and this is reflected in the underspend.

The underspend of £30k on Taxicard arose from TfL data indicating that Bromley's take up would be lower than budgeted in 2015/16, resulting in a reduced charge to LBB. There is no information to suggest a variation to this. Commissioning contracts budgets were underspent by £322k and this relates to several different contracts. The Healthwatch contract is less than expected at the time the 2015/16 budget was prepared, efficiency savings have been achieved across a range of contracts and there is also a small underspend on the direct payments payroll contract. This contract varies according to volume and numbers are increasing so this element is a non-recurrent underspend. As the budget was underspent it resulted in a reduced charge to the Better Care Fund. The intention of this element of the Better Care Fund was to protect existing social care services so the amount of the underspend has been diverted to fund other costs within social care (see also ref 13 below).

Of the underspend on Commissioning, £105k relates to 2016/17 budget savings achieved early. This element has been removed and is detailed separately in the narrative under paragraph 15.

9. Information and Early Intervention - Cr & Dr £78k

This new service area was created in April 2014 under the new Adult Social Care SERCOP and it encompasses any adult social care-related service or support for which there is no test of eligibility and no requirement for review. It includes: information and advice; screening and signposting; prevention and low-level support; independent advocacy. The Local Reform and Community Voices Grant is accounted for here.

The final outturn position was an underspend of £228k which is largely a continuation of the pattern of spend in 2014/15 but also reflects savings on the mental health community wellbeing and independent complaints advocacy contracts. The underspend figure is net of minor overspends where a contract ceased as a result of a 2015/16 budget saving but where, because of contractual obligations, only a part year saving was achieved in 2015/16.

Of this amount £150k has been identified as part of a savings exercise and is detailed separately in the narrative under paragraph 15.

The Information and Early Intervention budget was fully funded from the Better Care Fund in 2015/16. As the budget underspent it resulted in a reduced charge to the Better Care Fund. The intention of this element of the Better Care Fund was to protect existing social care services so the amount of the underspend has been diverted to fund other costs within social care (see also ref 13 below).

10. Learning Disabilities - Cr £553k

The underspend on placements has reduced from the previously reported position. There are many reasons for this movement but it can be largely attributed to a combination of clients becoming the financial responsibility of Bromley under ordinary residence, new clients and previously unprojected costs associated with supported living schemes.

In addition, there are variations on the revised arrangements for delivering the former in-house LD supported living, day care and respite services. This includes underspends on the housing management arrangements for former in-house LD homes.

Savings arising from contract efficiencies and associated inflation (£260k in relation to Learning Disabilities) as well as other recurrent LD savings (placements and former in-house LD services contract) have been shown separately at paragraph 15 and will be used to contribute to budget savings required in 2016/17.

11. Mental Health - Cr £84k

The final underspend position on Mental Health care packages is £239k. Savings arising from contract efficiencies and associated inflation (£60k in relation to Mental Health) as well as savings on placements (£180k) have been shown separately at paragraph 15 and will be used to contribute to budget savings required in 2016/17.

There was a £45k saving on other mental health budgets and this has arisen from the new arrangements for the Community Wellbeing service and an underspend on the s75 agreement with Oxleas. Again, the recurrent element of this has been shown separately at paragraph 15 and will be used to contribute to budget savings required in 2016/17.

12. Supporting People - Cr £0k

Activity relating to additional limiting of inflationary increases and the effect of re-tendering / extending contracts at a reduced cost have resulted in an underspend of £79k. This has been identified as an early saving for 2016/17 and is shown separately in paragraph 15. There were savings of £304k built in to the 2015/16 Supporting People budget and the £79k underspend is in excess of this.

13. Better Care Fund - Variation on Amount Earmarked to Protect Social Care - Cr £312k

An amount of funding from the Better Care Fund was earmarked to protect social care. This contributed to a range of services across Adult Social Care and Commissioning Divisions. The amount allocated to Commissioning budgets underspent by £529k and this contributed to other existing budgets within Commissioning. Of this, £217k has been separately identified as advance achievement of 2016/17 savings in paragraph 15.

14. Public Health - Dr £14k

On the 4th June 2015 the Chancellor announced in year budget reductions for 2015/16 of £200m nationally that are to be made by the Department of Health targeted at Public Health budgets that are devolved to Local Authorities. The reduction for Bromley was £919k, and is ongoing for future years. This has been addressed by a combination of identified savings and management action, and the final outturn for the service was within budget. The variation of £14k is offset by a corresponding underspend of £14k in the non-controllable expenditure element of the budget.

15. Savings achieved early in 2015/16 for 2016/17 - Cr £1,509k

As part of the budget monitoring process a major savings exercise was carried out in Adult Social Care / Commissioning to identify potential savings in future years. Areas have been identified where savings can be found and can be taken early. The list below shows the in year benefit in 2015/16 and the savings that will accrue in a full year in 2016/17.

<u>Service Areas</u>	2015/16	2016/17
	£'000	FYE £'000
Adult Social Care / Commissioning - Contract negotiations resulting in lower contract costs than anticipated	Cr 430	Cr 430
Closure of Lubbock House ECH	0	Cr 70
Day Opportunities - invest to save	0	Cr 100
Transport Contract effective from December 2015	Cr 60	Cr 243
LD Direct Care Services contract effective from October 2015	0	Cr 200
Contract savings across Commissioning division	Cr 105	Cr 130
Mental Health - efficiencies with placements, planned moves and CCG	Cr 180	Cr 134
Supporting People - contract efficiencies obtained	Cr 79	Cr 164
Adult Learning Disabilities services	Cr 40	Cr 40
Additional recurring underspend - Commissioning	Cr 20	Cr 36
Early intervention and information- contract efficiencies obtained	Cr 150	Cr 200
Youth on Remand	Cr 250	Cr 250
Virtual School	Cr 75	Cr 75
Children with disabilities	Cr 120	Cr 120
Total	Cr 1,509	Cr 2,192

Waiver of Financial Regulations:

The Council's Contract Procedure Rules state that where the value of a contract exceeds £50k and is to be exempt from the normal requirement to obtain competitive quotations, the Chief Officer has to obtain the agreement of the Director of Resources and Finance Director and (where over £100,000) approval of the Portfolio Holder, and report use of this exemption to Audit Sub-Committee bi-annually.

Since the last report to the Executive, waivers were approved as follows:

- (a) There were 2 contract waiver's agreed for contract's valued over £50k and 10 for over £100k.
- (b) There were 3 waiver's agreed for care placement's in adult services over £50k but less than £100k.

Virements Approved to date under Director's Delegated Powers

Details of virements actioned by Chief Officers under delegated authority under the Financial Regulations "Scheme of Virement" are included in financial monitoring reports to the Portfolio Holder. Since the last report, 2 virement's have been actioned; £32k for the transfer of funding from the ECHS Commissioning contracts budget to the ECHS Adult Social Care Division day centres budget (this is non-recurrent funding to support day opportunities transitional costs) ; and £7k to Corporate services to fund additional invoice processing costs.

2014/15 Actuals	Service Areas	2015/16 Original Budget	2015/16 Final Approved	2015/16 Provisional Outturn	Variation	Notes	Variation Last Reported	Full Year Effect
£'000		£'000	£'000	£'000	£'000		£'000	£'000
EDUCATION CARE & HEALTH SERVICES DEPARTMENT								
Education Division								
Cr 355	Adult Education Centres	Cr 602	Cr 219	Cr 233	Cr 14	1	4	0
202	Alternative Education and Welfare Service	264	266	231	Cr 35	2	Cr 2	0
296	Schools and Early Years Commissioning & QA	396	398	264	Cr 134	3	Cr 141	Cr 81
4,633	SEN and Inclusion	4,833	4,835	4,978	143	4	243	0
218	Strategic Place Planning	216	229	207	Cr 22		0	0
36	Workforce Development & Governor Services	4	4	Cr 15	Cr 19		0	0
Cr 2,419	Education Services Grant	Cr 2,128	Cr 1,650	Cr 1,650	0	5	0	75
Cr 1,493	Schools Budgets	Cr 1,509	Cr 1,509	Cr 1,395	114	6	0	0
139	Other Strategic Functions	133	133	94	Cr 39	7	19	0
1,257		1,607	2,487	2,481	Cr 6		123	Cr 6
Children's Social Care								
2,315	Bromley Youth Support Programme	1,473	1,554	1,757	203	8	274	62
2,303	Early Intervention Services	2,044	2,047	1,872	Cr 175	9	Cr 77	0
4,618		3,517	3,601	3,629	28		197	62
5,875	TOTAL CONTROLLABLE FOR EDUCATION - ECHS	5,124	6,088	6,110	22		320	56
11,852	Total Non-Controllable	9,278	11,061	11,061	0		0	0
3,493	Total Excluded Recharges	3,987	3,628	3,628	0		0	0
21,220	TOTAL EDUCATION PORTFOLIO - ECHS	18,389	20,777	20,799	22		320	56
Memorandum Item								
Sold Services								
	Education Psychology Service (RSG Funded)	Cr 21	Cr 20	Cr 62	Cr 42	} 10	0	0
	Education Welfare Service (RSG Funded)	Cr 39	Cr 39	Cr 43	Cr 4		0	0
	Workforce Development (DSG/RSG Funded)	Cr 14	Cr 14	Cr 33	Cr 19		0	0
	Governor Services (DSG/RSG Funded)	Cr 8	Cr 8	0	8		0	0
	Community Vision Nursery (RSG Funded)	0	0	Cr 66	Cr 66		Cr 41	Cr 66
	Blenheim Nursery (RSG Funded)	0	0	Cr 23	Cr 23		Cr 40	Cr 23
	Business Partnerships (RSG Funded)	0	0	0	0		0	0
	Total Sold Services	Cr 82	Cr 81	Cr 227	Cr 146		Cr 81	Cr 89

Reconciliation of Latest Approved Budget

£'000

Original Budget 2015/16

18,389

SEND Reform/Implementation Grants (Exec March 2015) - expenditure	456
SEND Reform/Implementation Grants (Exec March 2015) - income	Cr 456
YOT Service Strategic Review carry forward	76
Review of Place Planning carry forward	11
Early Years Grant carry forward - expenditure	19
Early Years Grant carry forward - income	Cr 19
SEN Preparation for Employment carry forward - expenditure	46
SEN Preparation for Employment carry forward - income	Cr 46
SEND Regional Lead (ex-Pathfinder) grant - expenditure	62
SEND Regional Lead (ex-Pathfinder) grant - income	Cr 62
Adult Education Supplementary Estimate	382
Allocation of Merit Awards 2015/16 (Exec June 2016)	10
Allocation of Tax and NI on Merit awards 2015/16 (Exec June 2016)	6
Passenger Transport Service Contract	Cr 32
Year End Drawdown Request for the Education Services Grant	478

Latest Approved Budget for 2015/16

19,320

Memorandum Items

Capital Charges	Cr 2,901
Deferred Charges (REFCUS)	Cr 7,869
Impairment	1,712
Government Grants Deferred	9,277
Insurance	Cr 62
Rent Income	0
Repairs & Maintenance	Cr 79
IAS19 (FRS17)	1,706
Excluded Recharges	Cr 327
Reported Latest Approved Budget for 2015/16	20,777

REASONS FOR VARIATIONS

1. Adult Education - Cr £14k

As Members will be aware, there has been significant reduction in grant allocation from the Skills Funding Agency for the Adult Education Service in recent years. In addition, tuition fee income has been reducing, with a total income shortfall of £518k projected for 2015/16, prior to the £382k supplementary estimate allocation agreed by Executive in December 2015.

The service has now consulted on a restructure which should result in full year savings of £275k subject to further changes to future grant levels. The restructure was approved by Executive as its meeting on 10th February 2016.

There is a minor net underspend of £14k for the service.

2. Alternative Education and Welfare Service - Cr £35k

A minor overspend has arisen in staffing costs, but this has been more than offset by an increase in Penalty Charge Notice income collection, resulting in a net £11k underspend.

An Underspend of £24k has occurred in the Behaviour Support - Head of Service cost centre due to a post not being filled.

	Variations
	£'000
Head of Service	Cr 24
Education Welfare Officers	Cr 11
	Cr 35

3. Schools and Early Years Commissioning and Quality Assurance - Cr £134k

The two in-house nurseries are projected to generate a total surplus of £89k. The trading accounts, set up in April 2013, are not on a full cost recovery basis, so this surplus doesn't cover the £209k recharges allocated. The service is currently undergoing a market testing exercise which might, depending on the level of rental income and concession fee agreed, result in a reduction of net income if delivered by an external provider.

An underspend of £41k is projected for Early Years, the restructure of which resulted in early achievement of the further £30k savings agreed for 2016/17 in addition to the £130k agreed for 2015/16.

There are also net underspends of £4k within the School Standards team, mainly as a result of staff vacancies.

	Variations
	£'000
Blenheim Nursery	Cr 23
Community Vision Nursery	Cr 66
Early Years	Cr 41
School Standards	Cr 4
	Cr 134

4. SEN and Inclusion - Dr £143k

To help authorities with the amount of work required to convert existing Statements of SEN to the new Education Health and Care (EHC) plans, and to implement the changes to working practices required, the Department for Education has created the SEN Implementation (New Burdens) Grant. LBB's allocation of this grant for 2015/16 is £177k, of which £148k was approved for drawdown by Executive in March 2015, in addition to the carry forward of £200k underspend from 2014/15.

The SEN Implementation and Preparation for Employment grants are expected to underspend by a total of £21k. Some of the expenditure planned against these grants is expected to occur in 2016/17, so these amounts will be requested and approved for carry forward.

Additionally there is a underspend of £43k in the Education Psychology Services Trading Account due to a higher than expected collection of income for their services. The extra income has mainly been invoiced to the Academies within Bromley.

The Head of Service post is now being covered part time, and at a lower grade whilst the previous post holder is working solely on the reforms. This, plus temporary vacancies, and staff working reduced hours, as well as a much reduced use of tribunal consultancy, has resulted in an underspend of £138k in the SEN assessment and monitoring team, and £40k on the Head of Service.

SEN Transport

Although the travel training programme continues with success and has contributed to improved outcomes and helps address annual volume increases, SEN transport has overspend by £385k. A significant part of this relates to the cost of the new contracts which commenced on 01/09/2015 with a revised pricing framework, which, with no provision for inflation over the life of the contracts, are assumed to have front-loaded inflationary increases.

As noted in the contract award report approved by Executive in March 2015, the impact of these inflationary increases is compounded by the pricing under the previous framework, awarded in 2010; the economic climate at that time and during much of the contract period had led to keen pricing with no increase to many of the prices.

It is estimated that travel training has resulting in around £200k saving for 2015/16; however a large amount of this will have to repay the Invest to Save scheme so won't be realised this financial year.

In addition, there are volume increases due to the increase in statutory age range to 0-25 years, which is also noticeably impacting on the DSG funded SEN placements/support and special school/special unit funding, as shown in note 6 below.

The overspend of £385k is a decrease of £114k compared to the third quarter projection.

	Variations	
		£'000
SEN assessment & monitoring team	Cr	138
Head of Service	Cr	40
SEND Implementation Grant	Cr	11
SEND Preparation for Employment	Cr	5
SEND Pathfinder	Cr	5
Trading Account Education Psychology Services	Cr	43
SEN transport		385
		<u>143</u>

5. Education Services Grant - Cr £0k

The Education Services Grant (ESG) allocation is £478k less than budget. It is assumed that the shortfall will be drawn-down from contingency to cover this, so no variation is being reported.

6. Schools Budgets (Dr 114k)

There is an overall variance on the School Budgets this year on controllable expenditure. This is offset by an underspend in non-controllable expenditure due to lower overheads being charged to DSG related budgets. The overall bottom line will be balanced and the effect on the General Fund is zero.

Expenditure on Schools is funded through the Dedicated Schools Grant (DSG) provided 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.

The total overspend of £1.5m will therefore reduce the £9.9m carried forward from 2014/15. Along with the £3.5m distributed as one-off funding to schools and £3m for the Beacon House refurbishment, £2.5m has been agreed for growth in 2016/17 to balance the budget, so the underspend has now been fully spent/allocated.

The £1.5m costs for Beacon House relate to the refurbishment of the property following its purchase last year. The costs are expected to continue into 2016/17. A budget was approved in 2015/16 for these costs. Of the budget set aside for this project, there still £1.4m remaining.

SEN placements and support costs are overspent by a total of £523k, mainly due to a significant projected increase in pupil numbers in independent and out-borough placements, including pupils aged 20-25 with EHC plans who wouldn't previously have been supported. There has also been an increase in the average level of matrix support provided to schools.

In addition, a total of £729k increase in funding has been agreed for Special Schools and Units. In general these have only been agreed to reduce the need for even more costly independent / out-borough placements.

The SEN support costs budget for students in further education is underspent by £236k.

There is a total underspend of £112k in the Sensory Support Service and support in mainstream, mainly due to vacant posts and delays in recruitment, as well as specific posts linked to pupils for sensory support that are not currently required.

The Early Years SEN (Phoenix) and Specialist Support and Disability Services are currently projected to overspend by a total of £17k. An underspend on staffing costs has netted off a overspend on running costs with the Early Years SEN cost centres. There was a budget reduction in pre-school support in 2015/16 to help contain anticipated pressures in other areas of the Schools Budget.

The DSG funded element of SEN Transport is projected to underspend by £125k. The funding regulations do not permit this budget to be increased from the previous year, so it is kept at the current level in anticipation of further increased take up of lower cost in-borough placements in future years.

The underspends above are offset by a continued increase in the requirement for bulge classes, and for the first time, a need for them at secondary level, a year earlier than had been anticipated, resulting in an overspend of £1.3m on the £1.5m budget. This £1.5m included the additional £500k which was agreed to be added to the budget for two years, funded from the DSG carry forward. Schools Forum reviewed the future funding of bulge classes and decided not to make any changes for 2016/17, however this will be reviewed again for 2017/18, especially in light of the projected pressures across DSG as a whole. There is also a further £121k overspend projected relating to the rental of temporary modular classrooms for bulge classes.

An overspend of £70k relates to centrally held license for copyright, music licenses etc, due to notification from DfE that further licenses were to be held centrally by LA's after the budget had been set.

Finally, underspends of £1.2k for Free Early Education funding, mainly due to a slowing of the increase in take-up seen in recent years.

	Variations	
	£'000	£'000
Balance Brought Forward	Cr	9,886
Budgeted use of Brought Forward Balance		4,739
Other Movements		
Beacon House		1,499
Bulge Classes		1,332
- Modular classroom rentals		121
Consultancy etc		94
MPAA,CLA etc licenses		70
Special Schools / Units		729
PSAG	Cr	4
Free Early Education - 2 year olds	Cr	593
Free Early Education - 3 & 4 year olds	Cr	663
SEN - Placements		523
SEN - Transport	Cr	125
SEN - Sensory support service	Cr	84
SEN - Support in FE colleges	Cr	236
SEN - Support in mainstream	Cr	27
SEN - Pre-school service		17
SEN - Home & Hospital		15
High Needs Top Up (Excluding Special Schools)	Cr	642
School Forum	Cr	24
Primary School Nursery Funding	Cr	180
Inclusions Team	Cr	4
Access & Admissions	Cr	30
Progression Courses	Cr	56
Behaviour and Attendance Partnership		9
DSG - In Year Adjustment to Allocation	Cr	277
		1,464
		Cr 3,683

There is an RSG underspend of £13k within the Schools Budget area. This related to the insurance income the council receives from Maintained Schools. In previous year the Insurance Income and expenditure has been allocated as a Non-controllable Overhead, and this is the first year it has been allocated to the Controllable figures in the accounts.

7. Other Strategic Functions - Cr £39k

As part of the 2015/16 agreed savings, £60k was for management savings in Education. Some efficiencies have been identified to offset this, however £19k still remains to be met.

The change from the reported third quarter position is due to the release of un-needed provisions written off during the year.

8. Youth Services - Dr £203k

The Youth Service overspent in year on salaries and some running costs during a period of restructure required to reconfigure the service to achieve the 2015-16 saving target of £506k whilst continuing to provide both universal and targeted youth support. The appropriate consultation processes were completed and the revised structure has been put in place.

There was also an overspend in the Youth Offending Team; as a consequence of the outcome of the 2015 HMIP inspection, it was necessary to delay the planned restructure of the service. The review of the existing service and interim measures required to address immediate operational delivery requirements resulted in an overspend of £95k. Additionally, there was an in-year reduction of £29k in the funding from the Youth Justice Board.

	Variations
	£'000
Youth Services	108
Youth Offending Team	95
	203

9. Early Intervention Services - Cr £175k

The underspend is primarily due to in year turnover savings and an underspend on Commissioning as cost efficiencies have been achieved to meet the 2015-16 savings target.

10. Sold Services (net budgets)

Services sold to schools are separately identified in this report to provide clarity in terms of what is being provided. These accounts are shown as memorandum items as the figures are included in the appropriate Service Area in the main report.

Waiver of Financial Regulations

The Council's Contract Procedure Rules state that where the value of a contract exceeds £50k and is to be exempted from the normal requirement to obtain competitive quotations, the Chief Officer has to obtain the agreement of the Director of Resources and Finance Director and (where over £100k) approval of the Portfolio Holder, and report use of this exemption to Audit Sub committee bi-annually. Since the last report to the Executive, 15 waivers have been approved.

- a) There were 10 waivers agreed for the contract value of under £50k
- b) There were 2 waivers agreed for the contract value of over £175k

Virements Approved to date under Director's Delegated Powers

Details of virements actioned by Chief Officers under delegated authority under the Financial Regulations "Scheme of Virement" will be included in financial monitoring reports to the Portfolio Holder. Since the last report to Executive, 11 virements has been approved. Nine of the virement relate to changes in the grant allocation totalling £655k. Two virement related to post variations totalling £47k.

2014/15 Actuals £'000	Service Areas	2015/16 Original Budget £'000	2015/16 Final Approved £'000	2015/16 Provisional Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
77	Public Protection Emergency Planning	75	75	70	Cr 5	1	0	0
77		75	75	70	Cr 5		0	0
4,115	Street Scene & Green Space Area Management/Street Cleansing	4,048	4,037	3,976	Cr 61	2	Cr 50	0
2,429	Highways	2,542	2,512	2,622	110	3	128	0
Cr 42	Markets	Cr 2	Cr 2	Cr 52	Cr 50	4	Cr 43	Cr 40
5,745	Parks and Green Space	5,676	5,791	5,821	30	5	22	0
467	Street Regulation	513	515	501	Cr 14	6	Cr 2	0
17,613	Waste Services	17,853	18,087	17,905	Cr 182	7	Cr 158	Cr 270
30,327		30,630	30,940	30,773	Cr 167		Cr 103	Cr 310
545	Support Services Support Services	518	520	516	Cr 4	8	0	0
545		518	520	516	Cr 4		0	0
252	Transport & Highways Depots	275	275	296	21	9	0	0
6,921	Highways incl London Permit Scheme	6,794	7,219	7,447	228	10	335	145
Cr 6,496	Parking	Cr 6,696	Cr 6,451	Cr 7,455	Cr 1,004	11-16	Cr 345	Cr 85
176	Traffic & Road Safety	157	168	112	Cr 56	17	0	0
327	Transport Support Services	342	395	333	Cr 62	18	Cr 26	0
1,180		872	1,606	733	Cr 873		Cr 36	60
32,129	TOTAL CONTROLLABLE	32,095	33,141	32,092	Cr 1,049		Cr 139	Cr 250
6,238	TOTAL NON-CONTROLLABLE	5,332	8,074	8,074	0		Cr 33	0
2,221	TOTAL EXCLUDED RECHARGES	2,290	2,483	2,483	0		0	0
40,588	PORTFOLIO TOTAL	39,717	43,698	42,649	Cr 1,049		Cr 172	Cr 250

Reconciliation of Latest Approved Budget

£'000

Original Budget 2015/16

39,717

Repairs and Maintenance - carry-forward from 2014/15	33
Keston Ponds Dam - carry-forward from 2014/15	20
Countryside & Woodland works - carry-forward from 2014/15	40
Waste - 3 split-bodied vehicles - carry-forward from 2014/15	558
Increase in contract costs re TLG pension contributions	23
Lead Local Flood Authorities Grant	213
Return to contingency - Waste 3 split-bodied vehicles underspend	Cr 200
Parking CCTV Equipment	306
SEN Transport Client	53
Merit awards	24

Latest Approved Budget for 2015/16

40,787

Memorandum Items

Capital Charges 5802	Cr 175
Deferred Charges (REFCUS) 5804	413
Impairment 5806	2,704
Gov Grants Deferred 5807	Cr 404
Insurance	Cr 92
Rent Income	Cr 78
Repairs & Maintenance	
IAS19 (FRS17)	351
Excluded Recharges	192
Reported Latest Approved Budget for 2015/16	<u><u>43,698</u></u>

REASONS FOR VARIATIONS

1. Emergency Planning Cr £5k

Minor variations across the service total Cr £5k.

2. Area Management & Street Cleansing Cr £61k

Savings brought-forward as a result of the closure of public conveniences total £43k. The FPN contract has a net variation of Cr £5k for 2015/16. Other minor variations across the service total Cr £18k

Summary of overall variations within Area Management & Street Cleansing	£'000	
Savings as a result of closure of Public Conveniences	Cr	43
Other minor net variations	Cr	18
Total variation for Area Management & Street Cleansing	Cr	61

3. Highways SSGS Dr £110k

There is an underspend on salaries of £37k due to vacancies partly offset by the additional monitoring carried out by the contractor of Dr £29k.

Due to the mild winter the stock on supplies of salt etc. have not needed to be replenished resulting in an underspend of £22k on the Snow Friends budget.

The additional spend on potholes Dr £128k is as a result of the wet winter which like the cold weather causes defects and erosion on the carriageways. This has been covered by management action to achieve savings on other areas such as minor Improvements Cr £108k.

The additional spend on Safety Out of Hours Dr £32k is due to clearer reporting and is met from underspends on road markings and guard rails (Cr £31k).

There is an increase in income from Street traders licensing of £11k due to an increase in the number of license applications being received. Similarly income from Skip licenses is higher by Cr £3k due to an increase in requests. Other miscellaneous income Cr £2k.

Tree maintenance is overspent by £133k due to a number of works that have had to be carried out relating to unpredictable emergency callouts, root pruning health and safety works and post 2013/14 storm remedial works. This out turn is higher than last projected due to the increased number of remedial works recommended from condition surveys in the period December to March 16.

Other minor net variances across the service total Dr £2k.

Summary of overall variations within Highways SS&GS	£'000	
Employee costs	Cr	37
Agency/ Consultancy costs		29
Snow Friends	Cr	22
Potholes		128
Minor Improvements etc	Cr	108
Road Markings and guard rails	Cr	31
Safety Out of Hours		32
Tree maintenance		133
Income from Street Traders Licence and skip licence fees etc	Cr	16
Minor variations net		2
Total variation for Highways SS&GS		110

4. Markets - Cr £50k Variation

As a result of higher activity than budgeted, income was overachieved by £35K. In addition there was a net underspend of £15k across staffing and running expenses.

5. Park and Green Space Dr £30k

Post 2013/14 storm remedial works have been carried out on trees within parks and allotments, leading to an overspend of £30k within tree maintenance.

6. Street Regulation Cr £14k

This underspend mainly relates to the part year effect of vacant posts as a result of the staffing review within this division.

7. Waste Services Cr £182k

Green garden waste disposal tonnages were 1,186 tonnes below budget mainly due to the weather during the year, resulting in an underspend of £53k. For information, the total tonnage of 14,634 tonnes for 2015/16 is 189 tonnes below the 2014/15 outturn.

Across the garden waste collection service, there was an underspend of £245k. This is a combination of a underspend of £58k within staffing and running expenses, the continuing sale of green garden waste stickers Cr £19k, and additional income for the garden waste subscription service of Cr £168k.

Disposal tonnages from increased trade waste delivered activity were 1,450 tonnes above budget resulting in an overspend of £207k.

As a direct consequence of the extra tonnage described above, additional income of £207k was received for trade waste delivered. This offsets the disposal overspend from Weighbridge tonnage.

For other residual tonnages, there is an overspend of £42k. This is mainly due to the expected additional tonnage relating to the extra day for the leap year. This is more than offset by a reduction in detritus tonnage resulting in an underspend of £99k.

Other overspends include Dr £87k relating to the purchase of bins / containers, largely for trade waste customers and depot refurbishment works.

Within paper recycling income, there is a deficit of £28k. This relates largely to an issue with 2015-16 paper tonnages that have been adversely affected by wet weather over recent months, and have not been able to be recycled in the usual way. Actual paper tonnage is 290 tonnes below budget and 936 tonnes below 2014/15 actual tonnage.

Within other income streams, there is a net surplus of Cr £43k income from trade waste collected income, textile collections and kitchen waste liners.

Savings of £250k were built into the 2015/16 waste services budget for the revision to the kerbside paper collection service. The report to the Environment Portfolio Holder on 18 February 2015 highlighted that after taking account of the one-off implementation costs, the savings expected to be delivered during 2015/16 would be below the target by £107k. The savings for future years would however be exceeded by £250k per annum.

The actual implementation of the changes began at the end of June, a month later than expected. However actual costs were far less than anticipated and the resulting level of saving was £275k in 2015/16, which is £25k above the target saving.

An underspend on the Coney Hill contract costs Cr £36k has partly offset additional disposal costs of Dr £52k associated with the disposal of incinerator ash tonnage.

As a result of the introduction of the Safer Lorry Scheme, vehicles of more than 3.5 tonnes have to be fitted with sideguards to protect cyclists from being dragged under the wheels in the event of a collision, as well as special mirrors to provide a better view of cyclists and pedestrians. The costs of adapting the waste fleet was £34,500.

Tonnages for recycling and food waste have fallen over the last year while residual waste tonnages are increasing. To understand the reasons for this and to fully inform future potential tenderers for the new Waste contract, a waste audit survey was undertaken at a cost of £15k. This information will help to inform future waste strategies and operational changes.

The existing software had to be developed to include the waste and grounds maintenance contracts in order to improve the contract monitoring that will be carried out by the new contract support team within Street Scene and Green space. The development of the software will have the versatility to support the commissioning process providing an IT foundation for contract management beyond 2019 when the service contracts are due to be tendered, Dr £48k.

Other minor variances total Dr £12k

Summary of overall variations within Waste Services		£'000
Waste disposal tonnages - Green Garden Waste	Cr	53
Underspend from Green Garden Waste service	Cr	245
Waste disposal tonnages - Trade Waste Delivered		207
Trade waste delivered income	Cr	207
Waste disposal tonnages - other residual tonnage	Cr	57
Bins & weighbridge refurbishment		87
Paper recycling income		28
Trade waste collected and textile collection income	Cr	43
Impact of implementation of revised kerbside collection arrangements	Cr	25
Coney Hill and Incinerator ash		16
Side guard costs & kerbside residual waste survey		50
Contract monitoring software		48
Other minor variations across the waste service budget		12
Total variation for Waste Services	Cr	182

8. Support Services Cr 4k

Minor variations across the service total Cr £4k.

9. Depots - Dr £21k

This overspend is due to additional costs incurred for business rates and electricity at the depot.

10. Highways (incl London Permit Scheme) Dr 228k

Within NRSWA income, there is a projected net deficit of £397k. This is partly the result of improving performance by utility companies in the area of defect notices, which has resulted in lower charges raised by the Council, and appears to be an on-going trend.

Part year vacancies has resulted in an underspend of £38k against staffing.

The winter service budgets are £131k underspent, essentially due to the relatively mild winter and lack of snowfall. The table below gives a breakdown of winter service budgets, final expenditure, and subsequent variances: -

Winter Service	Budget £'000	Outturn £'000	Variance £'000
Salt, gritting & snow clearance	164	85 Cr	79
Met Office Costs	26	22 Cr	4
Vehicle / plant maintenance & repairs	111	95 Cr	16
Standby / training / overtime and other costs	106	74 Cr	32
Winter Service Totals	407	275 Cr	131

Summary of variations within Highways (incl London Permit Scheme)	£'000
NRSWA income	397
Staffing	Cr 38
Winter maintenance	Cr 131
Total variation for Highways	228

11. Bus Lane Contraventions Cr 657k

As a result of reinstating bus lane enforcement following completion of public realm works in Bromley North from March 2015, there is additional income of around £469k for 2015/16 and Cr £8k from previous years pcns. The Equipment budget is underspent by £180k due to the delay on the purchase and installation of the automated camera scheme because of order time and technical issues. This underspend is the subject of a carry forward request.

Summary of variations within Bus Lane Contraventions	£'000
PCNs Issued for Bus Lanes	Cr 477
Purchase of equipment	Cr 180
Total variations within Bus Lanes	Cr 657

12. Off Street Car Parking Cr 218k

Overall there is a surplus of £183k for off street parking income. Cr £149k extra is from Village Way and the Civic Centre multi-storey car parks which is offset by a deficit of around £100k at the Hill MSCP. There is also extra income of £61k from the Mitre Close surface car park. It should be noted that the average income at Mitre Close for April 2014 to February 2015 was £2k however in March 2015 this rose to £6k and has continued at this level for the rest of the year. This is because some spaces were being used by the Bromley North contractors during the period of works and therefore enforcement did not commence until March 2015. Other surface car parks show a net surplus of around £73k mainly in Beckenham and West Wickham.

Additionally there is an underspend of £10k due to a one-off business rates rebate which is offset by additional rent of Dr £23k due to a backdated rent increase. Indigo car parking contract costs are underspent by £50k. Other minor net variations across the service total Dr 2k.

Summary of variations within Off Street Car Parking	£'000
Business Rate rebate	Cr 10
Backdated rent increase	23
Third party payments- Indigo (formerly Vinci Park).	Cr 50
Off Street Car Parking income - multi-storey car parks	Cr 49
Off Street Car Parking income - other surface car parks	Cr 134
Minor variations	2
Total variations within Off Street Parking	Cr 218

13. On Street Parking Cr £100k

Due to the replacement of on street P&D machines with cashless parking there is a projected underspend on airway costs of £6k and other minor variations total Cr £11k.

There is additional on street parking fee income of £56k from various locations across the borough as well as Cr £27k income from bay suspensions.

Summary of variations within On Street Parking		£'000
P&D Airway costs	Cr	6
On Street Parking income	Cr	83
Other minor variations	Cr	11
Total variations within On Street Parking	Cr	100

14. Car Parking Enforcement Dr £75k

Salaries on CCTV staff are underspent by £43k, of which Cr £32k is due to a vacant post not filled and Cr £11k due to holiday/sickness cover not being required. Indigo contract payments are underspent by £49k.

Equipment costs are underspent by £167k mostly due to the automated camera scheme being delayed due to the longer order time and technical issues such as the connection of the encoders (Cr £126k). Other equipment is underspent as the planned purchase of equipment did not go ahead due to the proximity to award of the new parking contract (Cr £41k). The automated camera underspend is the subject of a carry forward request.

Other variations include an underspend of the computer equipment maintenance budget Cr £19k. The upgrade was not required as the new system for automated cameras was about to be introduced.

There is a net surplus of £286k from PCNs issued by Indigo Park (formerly known as Vinci Park) in the current year due to an increase in contraventions. Additional income of Cr £125k has been received over the year for contraventions that occurred prior to 1st April 2015. For information, the number of contraventions during the 9 months to December 2015 resulted in an average of 5,700 per month and this figure was used to project contraventions for the final 3 months of the year. The actual number of contraventions that occurred during the final quarter was 18,480. The average number of contraventions per month during this period was 6,160 compared to the 5,700 during the previous 9 months.

A net deficit of Dr £826k is for mobile and static cameras due to changes in legislation from April 2015. This is partly offset by additional income from old year tickets Cr £17k.

The revenue contribution to capital in 2014/15 for the CCTV control room was no longer required and was returned to the revenue account. This was because the technical enhancements were no longer required due to the change in legislation relating to the use of CCTV cameras.

Other minor variations across the service total Cr £15k.

Summary of variations within Car Parking Enforcement		£'000
CCTV Salary costs	Cr	43
Indigo contract costs	Cr	49
Equipment Costs - automated cameras.	Cr	126
Other equipment	Cr	41
Purchase of computer equipment	Cr	19
PCNs issued by CEOs	Cr	411
PCNs issued by mobile & static cameras		809
Return of Direct Revenue Financing from 2014/15 not required	Cr	30
Minor variations	Cr	15
Total variations within Car Parking Enforcement		75

15. Parking Shared Service Cr £43k

It is projected that the net variation on Parking Shared Service for Bromley 2015/16 will be Cr £43k, mainly due to vacant posts.

16. Permit and Disabled Parking Cr £61k

The increase in permit income of Cr £59k is mainly due to the withdrawal of the free visitor vouchers for the over 60's. Other minor variations total Dr £4k.

Minor net variations within the disabled parking service total Cr £6k.

Summary of variations within Permit and Disabled Parking		£'000
Permit Income	Cr	59
Permit parking minor net variations		4
Disabled Parking variations	Cr	6
Total variations	Cr	61

Summary of overall variations within Parking:

Bus Routes enforcement	Cr	477
Off Street Car Parking	Cr	218
On Street Car Parking	Cr	100
Parking Enforcement		201
Equipment costs for automatic cameras (bus lanes & parking around schools) (C/F Request)	Cr	306
Parking Shared Service	Cr	43
Permit & Disabled Parking	Cr	61
Total Variation for Parking	Cr	1,004

17. Traffic & Road Safety Cr£56k

There was an underspend of Cr £27k for staffing within TP Strategy mainly due to the TP Managers post remaining vacant for a number of months. Additional spend of Dr £19k was incurred on minor traffic management schemes which was more than offset by an overachievement of income from road closure charges (Cr £42k). Within Road Safety there was a Cr £18k underspend as a result of the 'refunded days' within the school crossing patrol contract. There was a net underachievement of income of Dr £12k from the Disabled Person's Parking Bays scheme as further consultation had to be undertaken to consider whether the scheme could be fully implemented or not.

Summary of variations within Traffic & Road Safety

		£'000
Staffing	Cr	27
Minor traffic schemes		19
Road closure income	Cr	42
School crossing patrol contract	Cr	18
Disabled Person parking Bay scheme		12
Total variations for Traffic & Road Safety	Cr	56

18. Transport Support Services Cr £62k

A reduction in the mail delivery service requirements across the Council has meant that there was an underspend on drivers and transport running costs of Cr £42k. The SEN Transport Client transferred to Environment from Care Services in the later part of 2015. This service was carrying staff vacancies which resulted in a £25k underspend. Other minor variations across the service total Dr £5k

Summary of variations within Transport Support Services

		£'000
Driver & transport costs for mail delivery service	Cr	42
Vacancies within SEN transport client	Cr	25
Other minor variations		5
Total variations for Transport Support Services	Cr	62

Waiver of Financial Regulations:

The Council's Contract Procedure Rules state that where the value of a contract exceeds £50k and is to be exempted from the normal requirement to obtain competitive quotations, the Chief Officer has to obtain the agreement of the Director of Resources and Finance Director and (where over £100,000) approval of the Portfolio Holder, and report use of this exemption to Audit Sub committee bi-annually. Since the last report to the Executive, no waivers have been actioned:

Virements Approved to date under Director's Delegated Powers

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

Public Protection & Safety Budget Monitoring Summary

2014/15 Actuals £'000	Service Areas	2015/16 Original Budget £'000	2015/16 Final Approved £'000	2015/16 Provisional Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
311	Public Protection Community Safety	256	246	219	Cr 27	1	Cr 30	0
341	Mortuary & Coroners Service	353	353	332	Cr 21	2	0	0
1,607	Public Protection	1,511	1,526	1,464	Cr 62	3	Cr 5	0
2,259	TOTAL CONTROLLABLE	2,120	2,125	2,015	Cr 110		Cr 35	0
92	TOTAL NON CONTROLLABLE	6	426	426	0		0	0
9	TOTAL EXCLUDED RECHARGES	151	Cr 24	Cr 24	0		0	0
2,360	PORTFOLIO TOTAL	2,277	2,527	2,417	Cr 110		Cr 35	0

Reconciliation of Latest Approved Budget

£'000

Original Budget 2015/16

2,277

Domestic Abuse - Grant Related Expenditure

26

Domestic Abuse - Grant Related Income

Cr 26

Merit Awards

5

Latest Approved Budget for 2015/16

2,282

Memorandum Items

Capital Charges 5802

Deferred Charges (REFCUS) 5804

241

Impairment 5806

Gov Grants Deferred 5807

Insurance

Rent Income

Repairs & Maintenance

IAS19 (FRS17)

179

Excluded Recharges

Cr 175

Reported Latest Approved Budget for 2015/16

2,527

REASONS FOR VARIATIONS

1. Community Safety Cr £27k

There is an underspend on salaries of £21k due to a combination of maternity leave and staff leaving earlier than budgeted as part of the savings options.

Bromley received a DCLG grant in 2014/15 and 2015/16 for £86,570 relating to the prevention of domestic abuse. The grant was awarded on the understanding that the project would be delivered by Bromley Women's Aid (BWA) during 2015/16 and 2016/17. On 9 September, Executive agreed to carry forward any residual balance of the grant into 2016/17 to enable BWA to deliver the project. A sum of £60,610 has been transferred to the grant contingency and a carry forward request will be submitted to the Executive.

Other net minor variations total Cr £6k.

Summary of variations within Community Safety:	£'000
Variations within employee costs	Cr 21
Net minor variations	Cr 6
DCLG Grant 2015/16 (£60,610)	Cr 61
DCLG Grant 2015/16 to reserves Request for carry forward to 2016/17 £60,610)	61
Total variation for Community Safety	Cr 27

2. Mortuary and Coroners Service Cr £21k

There is an underspend on Mortuary costs of £14k as the existing fixed rate contract was still in force until late in 2015/16. The new contract for the Mortuary at the Princess Royal University Hospital was finalised but the charging system remained the same because of issues with Kings NHS IT systems. There is also a minor underspend of £7k on the Coroners Service.

3. Public Protection Cr £62k

£19k is the result of underspends on Employee costs, due to vacancies and some staff leaving earlier than budgeted as part of the savings options.

The number of dogs being kept in kennels and associated medical costs have been lower than in previous years, partly helped by the mild winter. As a result of this and also the changes to the kennelling charges through the award of a new contract, there is an underspend of Cr £50k for 2015/16.

Concreting works undertaken at Wagtail Way to deter fly tipping were carried out, but costs were significantly lower than estimated. A number of other initiatives for fly tipping also came in lower than estimated or had to be deferred. This has meant that the planned spend was £60k less than previously projected.

Other minor variations across the division total Dr £7k.

Summary of variations within Public Protection:	£'000
Variations within employee costs	Cr 19
Stray dogs kennelling contract	Cr 50
Other minor variations	7
Total variation for Public Protection	Cr 62

Waiver of Financial Regulations:

The Council's Contract Procedure Rules state that where the value of a contract exceeds £50k and is to be exempted from the normal requirement to obtain competitive quotations, the Chief Officer has to obtain the agreement of the Director of Resources and Finance Director and (where over £100,000) approval of the Portfolio Holder, and report use of this exemption to Audit Sub committee bi-annually. Since the last report to the Executive, the following waivers have been actioned:

a) Cumulative value of £80k for the procurement of acoustic Equipment, annual amount £16k

Virements Approved to date under Director's Delegated Powers

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

Renewal and Recreation Budget Monitoring Summary

2014/15 Actuals £'000	Division Service Areas	2015/16 Original Budget £'000	2015/16 Final Approved £'000	2015/16 Provisional Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	R&R PORTFOLIO							
	Commissioning Fund							
13	Commissioning Fund - expenditure	86	86	86	0	1	0	0
Cr 13	Commissioning Fund - reserve income	Cr 86	Cr 86	Cr 86	0		0	0
0		0	0	0	0		0	0
	Planning							
Cr 27	Building Control	14	14	Cr 19	Cr 33	2	Cr 21	0
Cr 164	Land Charges	Cr 168	Cr 167	Cr 168	Cr 1	3	Cr 0	0
433	Planning	617	618	589	Cr 29	4	Cr 45	0
1,090	Renewal	1,825	1,830	1,574	Cr 256	5	Cr 143	0
1,332		2,288	2,295	1,976	Cr 319		Cr 209	0
	Recreation							
1,940	Culture	1,973	2,097	2,193	96	6	61	0
5,087	Libraries	4,734	4,711	4,610	Cr 101	7	Cr 61	0
255	Town Centre Management & Business Support	219	300	263	Cr 37	8	Cr 26	0
7,282		6,926	7,108	7,066	Cr 42		Cr 26	0
8,614	Total Controllable R&R Portfolio	9,214	9,403	9,042	Cr 361		Cr 235	0
11,630	TOTAL NON CONTROLLABLE	3,916	Cr 13,571	Cr 13,571	0		Cr 1	0
2,159	TOTAL EXCLUDED RECHARGES	2,469	2,281	2,281	0		0	0
22,403	PORTFOLIO TOTAL	15,599	Cr 1,887	Cr 2,248	Cr 361		Cr 236	0

Reconciliation of Latest Approved Budget

£'000

Original budget 2015/16

15,599

Repairs and Maintenance - carry-forward from 2014/15	112
Local Plan Implementation - carry-forward from 2014/15	60
Biggin Hill Air Noise Action Plan - carry-forward from 2014/15	40
Transfer of Housing budgets to Care Services Portfolio	Cr 44
Former Adventure Kingdom	Cr 55
Biggin Hill Memorial Museum	106
Performance Awards	8

Latest Approved Budget for 2015/16

15,826

Memorandum Items

Capital Charges	Cr 838
Deferred Charges (REFCUS)	Cr 398
Impairment	Cr 15,749
Gov Grants Deferred	Cr 973
Insurance	Cr 76
Rent Income	0
Repairs & Maintenance	Cr 41
IAS19 (FRS17)	476
Excluded Recharges	Cr 114
Reported Latest Approved Budget for 2015/16	<u>Cr 1,887</u>

REASONS FOR VARIATIONS

1) Commissioning Fund £0k

Within the commissioning fund there is a balanced budget. Expenditure of £31k on commissioning activities carried out during 2015-16, has been fully funded by a drawdown from the earmarked reserve.

2. Building Control Cr £33k

Within the chargeable account for Building Control, there is an income deficit of £114k. This was more than offset by an underspend within salaries of £143k arising from reduced hours being worked and vacancies. In addition a provision of 25k has been made for potential costs arising from a compensation claim. In accordance with Building Account Regulations, any net surplus / deficit is carried forward via the earmarked reserve for the Building Control Charging Account. The cumulative balance on that account remains unchanged at £130k.

Within the non-chargeable service there was an underspend of £33k, mainly as a result of delays in appointing to vacant posts, as well as other minor variations.

3. Land Charges Cr £1k

Minor variations across the service have resulted in a net surplus of Cr £1k.

4. Planning Cr £29k

Income from non-major planning applications was £172k above budget for 2015/16. For information, actual income received in 2015/16 is £110k higher than for the previous year, largely due to improving economic conditions.

For major applications, £323k was received in 2015/16 which was £23k above budget. Actual income was £78k less than that received for 2014/15.

A surplus of £38k income was achieved from pre-application meetings due to higher than budgeted activity levels. For information, this is £14k less than the income received in 2014/15.

Additional income of Cr £34k was achieved within the street naming & numbering service, which was £8k higher than that received in the previous year.

In addition there is a surplus of £24k from other miscellaneous income within Planning.

There was a net overspend within employee-related and running costs of £43k. This is mainly due to the recruitment of two additional temporary planning staff in order to assist with the current increase in volumes of planning applications.

As a direct result of losing planning appeals and a provision made for potential costs relating to a claim of compensation, there is an overspend of Dr £89k. In addition, Dr £130k has been incurred relating to the use of consultants to provide specialist advice and to undertake planning application work, particularly in the period before the division was fully staffed. Both of these additional costs are more than offset by surplus income.

Summary of variations within Planning:

	£'000
Surplus income from major applications	Cr 23
Surplus income from non-major applications	Cr 172
Surplus pre-application income	Cr 38
Surplus street naming & numbering income	Cr 34
Surplus on other planning income	Cr 24
Overspend within employee related costs	43
Costs re lost appeals	89
Use of consultants to provide specialist advice & plan app work	130
Total variation for planning	Cr 29

5. Renewal Cr £256k

There is a net underspend across Renewal salaries of £68k due to part-year vacancies within the Regeneration and Planning Strategy & Projects teams. £22k of this underspend relates to staffing funded by the New Homes Bonus top slice.

Of the £60k carried-forward from 2014/15 for the Local Plan Implementation, only £13k was spent, and therefore a further carry-forward request will be made at year-end so that the costs of the Examination in Public can be met in 2016/17.

There is an underspend of £182k against the New Homes Bonus Top Slice funding (this includes the £22k for staffing), and therefore a carry-forward request will be made at year-end in order to enable outstanding works to be completed in 2016/17.

During 2015/16 expenditure of £63k has been incurred for specialist consultancy work and Counsel advice relating to the Noise Action Plan for Biggin Hill Airport. This was partly funded by the £40k carried forward from 2014/15. Further consultancy work is required to be undertaken on the Noise Action Plan during 2016/17 and consequently a carry forward request will be made for £55k in order to complete this work.

Other minor net variations across the service total Cr £4k.

Summary of variations within Renewal:

	£'000
Underspend within employee related costs (excl NHB)	Cr 46
Local Plan Implementation (c/forward request to be made to June Exec)	Cr 47
Underspend related to NHB top slice funded work (incl £20k staff)	Cr 182
Spend relating to the noise action plan for Biggin Hill Airport	23
Other minor variations	Cr 4
	Cr 256

6. Culture Dr 96k

Although savings were built into the 2015/16 budget in anticipation of the closure of the Priory Museum, an overspend of £62k occurred. This was partly down to the museum being closed half way through the year resulting in both staffing and premises costs. In addition, extra temporary staff were employed for the remainder of the year in order to facilitate moves, preservation and storage of exhibits.

Additional costs of £8k have been incurred for security grills to secure the Priory building once empty and £10k has been spent on museum artefact conservation work including archiving, removal and relocation in advance of the new exhibitions. These costs were partly offset by minor net variations within the culture services of Cr £14k.

Following the completion of the tender process and the award of the contract to a new provider Qdos there have been issues raised from the outgoing provider ATG regarding the ownership of some of the items of equipment included in the lease and contract documentation. The view from the Legal Section regarding ownership of the disputed items is not conclusive and rather than go through a long and potentially expensive legal process it was agreed to try and reach a negotiated agreement between the Council, ATG, and Qdos that all parties would find acceptable. The initial valuation of the equipment was around £77k. Following lengthy discussions and negotiations the Council and ATG have agreed a sum of £30k to resolve the ownership of the disputed items. It is worth noting that whilst the change from the outgoing operator (ATG) to Qdos has produced some legal issues as highlighted above, the new 25 year arrangement with Qdos to manage and operate the Theatre provides a saving of £321k per year or around £8m over the 25 year life of the contract. Additionally the Council has transferred more maintenance responsibility within the new contract to Qdos which further reduces the Council's costs regarding the property.

Summary of variations within Culture:

	£'000
Priory Museum staffing & running costs	62
Security grills & museum artefact conservation work	18
Minor variations	Cr 14
Theatre equipment	30
	96

7. Libraries Cr £101k

Following a combination of strike action taken by a number of library staff during the year, as well as staff vacancies, there was an underspend on staffing of Cr £121k. £29k of this was re-invested within the IT budget to replace obsolete stock. Additional income of Cr £9k was generated during the year. The resulting net balance of £101k was used to offset the overspend within Culture.

Underspend within staffing (vacancies and impact of strike)	Cr 121
Replacement of obsolete IT stock	29
Additional income	Cr 9
	Cr 101

8. Town Centre management Cr £37k

There is an underspend of £42k relating to the two NHB top slice projects and a request will be submitted to the Executive to carry forward this amount in order to complete the specific projects which will be delivered over a period of two years. Other minor variations across the service total Dr £5k.

Waiver of Financial Regulations:

The Council's Contract Procedure Rules state that where the value of a contract exceeds £50k and is to be exempted from the normal requirement to obtain competitive quotations, the Chief Officer has to obtain the agreement of the Director of Resources and Finance Director and (where over £100,000) approval of the Portfolio Holder, and report use of this exemption to Audit Sub committee bi-annually. Since the last report to the Executive, the following waivers have been actioned:

- Cumulative contract value of £491k for the procurement of regular cleaning services at the library sites, annual amount £84k
- Cumulative value of £75k for the procurement of Audio books at libraries, annual amount £15k
- Cumulative value of £206k for data connections at the library sites, annual amount £30k

Virements Approved to date under Director's Delegated Powers

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

Resources Portfolio Budget Monitoring Summary

2014/15 Actual £'000		2015/16 Original Budget £'000	2015/16 Final Approved £'000	2015/16 Provisional Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	CHIEF EXECUTIVE'S DEPARTMENT							
	FINANCIAL SERVICES DIVISION							
	Financial Services & Procurement							
191	Director of Finance & Other	202	202	200	Cr 2		0	0
6,507	Exchequer - Revenue & Benefits	6,389	6,400	6,339	Cr 61	1	Cr 2	0
495	Financial Accounting	495	657	602	Cr 55	2	Cr 4	0
1,179	Management Accounting	1,109	1,123	987	Cr 136	3	Cr 116	0
8,372	Total Financial Services Division	8,195	8,382	8,128	Cr 254		Cr 122	0
	CORPORATE SERVICES DIVISION							
4,386	Information Systems & Telephony	4,394	4,530	4,453	Cr 77	4	Cr 26	0
	Operational Property Services							
419	Operational Property	375	450	464	14	5	0	0
1,809	Repairs & Maintenance (All LBB)	1,920	2,319	2,018	Cr 301	6	Cr 195	0
945	Customer Services (inc. Bromley Knowledge)	923	937	1,027	90	7	71	36
	Legal Services & Democracy							
685	Electoral	312	312	323	11	8	44	0
1,450	Democratic Services	1,383	1,384	1,371	Cr 13	9	0	0
Cr 106	Registration of Births, Deaths & Marriages	Cr 94	Cr 94	Cr 104	Cr 10	10	6	0
1,447	Legal Services	1,548	1,581	1,564	Cr 17	11	32	0
1,613	Admin. Buildings	1,613	1,617	1,554	Cr 63	12	Cr 12	0
481	Facilities & Support	467	470	448	Cr 22	13	Cr 16	0
166	Management and Other (Corporate Services)	148	148	168	20	14	20	0
13,295	Total Corporate Services Division	12,989	13,654	13,286	Cr 368		Cr 76	36
	HR DIVISION							
1,481	Human Resources	1,543	1,548	1,501	Cr 47	15	Cr 64	0
1,481	Total HR Division	1,543	1,548	1,501	Cr 47		Cr 64	0
	CHIEF EXECUTIVE'S DIVISION							
770	Audit	733	733	733	0		Cr 4	0
379	Financial Systems	421	422	400	Cr 22	16	0	0
427	Procurement	446	447	354	Cr 93	17	Cr 1	0
1,726	Exchequer - Payments & Income	1,516	1,554	1,500	Cr 54	18	Cr 41	0
201	Comms	213	216	205	Cr 11	19	Cr 21	0
601	Management and Other (C. Exec)	786	786	710	Cr 76	20	Cr 38	0
141	Mayoral	144	144	122	Cr 22	21	Cr 9	0
4,245	Total Chief Executive's Division	4,259	4,302	4,024	Cr 278		Cr 114	0
	TRANSFORMATION & REGENERATION DIVISION							
	Strategic Property Services							
214	Investment & Non-Operational Property	390	390	203	Cr 187	22	Cr 138	Cr 90
550	Strategic Property Services	606	638	537	Cr 101	23	Cr 40	0
Cr 5,630	Investment Income	Cr 7,393	Cr 7,396	Cr 7,456	Cr 60	24	Cr 131	Cr 995
Cr 833	Other Rental Income - Other Portfolios	Cr 824	Cr 824	Cr 824	0		47	0
Cr 5,699	Total Transformation & Regeneration Division	Cr 7,221	Cr 7,192	Cr 7,540	Cr 348		Cr 262	Cr 1,085
21,694	Total Controllable Departmental Budgets	19,765	20,694	19,399	Cr 1,295		Cr 638	Cr 1,049
	CENTRAL ITEMS							
7,450	CDC & Non Distributed Costs (Past Deficit etc.)	7,542	7,542	7,526	Cr 16		0	0
10,425	Concessionary Fares	10,562	10,997	10,994	Cr 3		0	0
39,569	Total Controllable	37,869	39,233	37,919	Cr 1,314		Cr 638	Cr 1,049

2014/15 Actual £'000	Financial Summary	2015/16 Original Budget £'000	2015/16 Latest Approved £'000	2015/16 Projected Outturn £'000	Variation £'000	Notes	Variation £'000	Full Year Effect £'000
Cr 1,311	Total Non Controllable	3,367	Cr 781	Cr 781	0		0	0
Cr 19,609	Total Excluded Recharges	Cr 19,423	Cr 18,472	Cr 18,472	0		0	0
Cr 1,384	Less: R&M allocated across other Portfolios	Cr 1,522	Cr 1,439	Cr 1,439	0		0	0
833	Less: Rent allocated across other Portfolios	824	824	824	0		Cr 48	0
18,098	TOTAL CHIEF EXECUTIVE'S DEPARTMENT	21,115	19,365	18,051	Cr 1,314		Cr 686	Cr 1,049
18,098	TOTAL RESOURCES PORTFOLIO	21,115	19,365	18,051	Cr 1,314		Cr 686	Cr 1,049
	Memorandum Item							
	Sold Services							
31	Facilities (Caretaking) Schools Trading Account	12	20	42	22	25	34	0
Cr 6	Reactive Maintenance Schools Trading Account	0	0	Cr 9	Cr 9	25	1	0
25	Total Sold Services	12	20	33	13		35	0

Reconciliation of Final Budget **£'000**
Original budget 2015/16 **21,115**

Repairs and Maintenance carry forward from 2014-15 (delegated authority)	484
- Less R & M Cfwd allocated to ECS	Cr 145
Concessionary Fares	438
Liberata contract - Effect of updated Pension Contributions re HR, Finance, Fairer Charging / A & D	37
Adj. re Housing Strategy Service Excluded Recharges	Cr 7
Adj. re Adventure Kingdom Excluded Recharges	55
Adj. re Impower savings	10
Carry forwards from 2014-15	
- IER Grant - Related Expenditure	19
- IER Grant - Draw down from Grants Reserve	Cr 19
- Hardware for Disaster Recovery / Windows 7	122
- Legal Case Work system upgrade	30
- Transparency Agenda	29
Increase in credit/debit card charges (relating to £27m of transactions)	120
Individual Electoral Registration - Expenditure	97
Individual Electoral Registration - Grant Income	Cr 97
Smartphone Counter Fraud App - Expenditure	112
Smartphone Counter Fraud App - Grant Income	Cr 112
Post transferred from ECHS	15
Increase in Pension Contract	59
- Recharged to Pension Fund	Cr 59
Merit Award drawdown	23
Transfer between ASC/Corp r.e. Day Centre/Transport addtl costs to Liberata	7
Transfer of post	
Financial Accounting	7
Management Accounting and Systems	Cr 7

Memorandum Items

Capital Charges 5802	Cr 233
Deferred Charges (REFCUS) 5804	Cr 1,619
Impairment 5806	Cr 501
Insurance	Cr 50
Rent Income - Resources	Cr 60
Rent Income - All Portfolios	60
Repairs & Maintenance - Resources	Cr 83
Repairs & Maintenance - All Portfolios	301
IAS19 (FRS17)	226
Past Service Costs FRS17	Cr 1,971
Excluded Recharges	962
Latest Approved Budget for 2015/16	19,365

REASONS FOR VARIATIONS

FINANCIAL SERVICES DIVISION

1 Exchequer - Revenue & Benefits Cr £61k

Overall there was a variance of Cr £61k made up of the following: -

There was an underspend on staffing of Cr £61k due to vacancies and a member of staff reducing their hours.

The revenues and Benefits contract overspent by Dr £58k due to additional costs arising from the Council Tax support public consultation exercise. One-off costs of Dr £46k were incurred on business software, relating to the development of Resource Link and an NNDR income projection tool.

Liberata exceeded their collection targets and provision was made for the incentive payments of Dr £186k.

Additional grant income of Cr £131k was received to cover administration costs.

There was an underspend of Cr £100k on the discretionary hardship fund partly due to awaiting the outcome of a Judicial Review regarding payments at two other Councils.

Income from court costs was Cr £25k higher than anticipated and other minor variations across the service totalled Cr £34k.

Summary of variations for Exchequer (Revenue & Benefits)	£'000
Staffing	Cr 61
Revenues & benefits contract	58
One-off system software development costs	46
Incentive payments to Liberata	186
Grant income	Cr 131
Discretionary hardship fund	Cr 100
Income from Court costs	Cr 25
Other minor variances	Cr 34
Total variations for Exchequer (Revenue & Benefits)	<u>Cr 61</u>

2 Financial Accounting - £55k Cr

There was an underspend of Cr £55k for Financial Accounting. A request has been submitted to carry forward Cr £41k as it relates to professional fees on the MEARS agreement which will be completed during 2016/17. The remaining Cr £14k relates to minor variations across staffing and running expenses.

3 Management Accounting Cr £136k

The underspend of Cr £136k for Management accounting mainly relates to vacant posts as a result of early achievement of 2016/17 savings, plus additional income relating to management of the schools long term sickness scheme in 2014/15.

4 Information Systems & Telephony Cr £77k

Staff vacancies during the year have resulted in an underspend of Cr £57k and there were other minor variances across running expenses of Cr £20k. A carry forward request to fund additional transition costs relating to the BT contract during 2016/17 has been submitted.

5 Operational Property Services Dr £14k

This variance relates to the net deficit made on the two trading accounts with schools for reactive maintenance and caretaking.

6 Repairs & Maintenance (All LBB) Cr £301k

There was a net underspend of Cr £301k for the Repairs & Maintenance budgets across the Council. Underspends related to Anerley Town Hall Cr £60k and the Central Depot Cr £135k. Cyclical and water treatment works that were not fully completed by the end of March totalled Cr £106k.

General note - The Property & Finance Sub-Committee, in December 2001, agreed that a carry forward could be made at the end of each financial year of revenue underspends on landlord building maintenance on the basis that Property will continue to seek to contain total expenditure within approved annual budgets.

7 Customer Services (inc. Bromley Knowledge) Dr £90k

Savings of £47k relating to the Channel Shift savings identified for 14-15 have not yet been achieved to date. There are annual maintenance costs of Dr £36k associated with the maintenance of the Customer Services portal. The first years maintenance cost was funded from the Invest to Save scheme, however the ongoing funding for this has not yet been identified. Other minor variations total Dr £7k.

8 Electoral Dr £11k

There is a net overspend of Dr £11k for Elections overall, mainly due to the introduction of Individual Electoral Registration and the requirement to send out an increased number of letters, forms and reminders.

9 Democratic Services Cr £13k

Minor net variations across the service total Cr £13k.

10 Registration of Births, Deaths & Marriages Cr £10k

There is a net underspend of Cr £10k mainly due to vacancies during the year.

11 Legal Services Cr £17k

An overspend of £31k on staffing is more than offset by additional fee income generated during the year of Cr £48k.

12 Admin. Buildings Cr £63k

Additional costs were incurred for agency staff employed to cover vacancies Dr £30k. This was more than offset by savings in premises costs.

Extra rental income was received for Yeoman House Cr £21k and there was a reduction in cleaning contract costs due to the temporary closure of some sites Cr £24k.

Gas consumption reduced due to the milder weather Cr £22k and NNDR charges were Cr £16k less than budgeted. Other minor variances across the service totalled Cr £10k.

Summary of variations for Admin Buildings	£'000
Agency staff	30
Rental income at Yeoman House	Cr 21
Cleaning contract costs	Cr 24
Gas	Cr 22
NNDR charges	Cr 16
Other minor variances	Cr 10
Total variations for Admin Buildings	Cr 63

13 Facilities & Support Cr £22k

This variation mainly relates to staffing pending the outcome of a review of the service.

14 Management and Other (Corporate Services) Dr £20k

An overspend of £20k relates to a saving included the 15-16 budget that has not yet been realised.

HUMAN RESOURCES DIVISION

15 HR Cr £47k

This underspend includes Cr £37k on staffing arising from vacancies and other minor variations on other budgets totalling Cr £10k.

CHIEF EXECUTIVE'S DIVISION

16 Financial Systems Cr £22k

This variation is mainly due to an underspend on Line of Business Software.

17 Procurement Cr £93k

Cr £73k relates to the renegotiated MFD Contract - Digital Print Strategy to MFD costs of lease purchases of software and hardware. Cr £15k relates to refund from O2 in respect of unused airtime and the remaining Cr £5k underspend relates minor variations in running expenses.

18 Exchequer Services - Payments & Income Cr £ 54k

Cr £28k relates to staffing from vacancies within the year and Cr £26k relates to income from service charges and minor variations within other running expenses.

19 Comms Cr £11k

Additional costs for printing and stationery and a contribution to BSCB of Dr £13k has more than been offset by an underspend of Cr £24k within staffing due to part year vacancies.

20 Management & Other (Chief. Exec.) Cr £76k

A refund was received for Cr £37k relating to the London Councils subscription. Cr £12k relates to a reduction in employers contribution to the Pension Fund as result of an employee opting out of the Pension Fund.

Savings of Cr £14k was made as no contributions were required to be made towards LLA Bills and Corporate Publications. Other minor variations totalled Cr £13k.

21 Mayoral Cr £22k

This variation mainly relates to an underspend on staffing as a result of a post being deleted.

TRANSFORMATION & REGENERATION DIVISION

22 Investment and Non-Operational Property (expenditure) Cr £187k

Overall the budget for Investment and Non Operational Property has an underspend of Cr £187k. This includes the following items:

The Exchequer House (Bromley Old Town Hall) is a listed building and is currently vacant awaiting the sale to go through in early 2016/17. Savings on premises and security costs total Cr £183k.

There was an overspend of Dr £41k for Surplus Properties. This relates to additional costs of Dr £27k for business rates and Dr £14k for other premises costs such as utilities.

Due to on-going negotiations on the Anerley Business Centre lease, the IT upgrade was not started this financial year. A request to carry forward the £30k has been made to enable the contribution to be passed to the Crystal Palace Trust.

Other minor variations within premises costs within the service total Cr £15k.

23 Strategic Property Services Cr £101k

The staffing and running expenses budget ended up being Cr £72k underspent mainly due to vacancies during the year.

Conditions surveys were carried out at a cost of Dr £27k to update CAD drawings to ensure compatibility with existing software. This was more than offset by additional fee income of Cr £31k generated from the sale of several properties such as Egerton Lodge, Snowdon Close and Penge Library.

More staff time was recharged to capital schemes as there was an increase in the number of projects being managed during the year, Cr £25k.

24 Investment Income Cr £ 60k

There was a net surplus of Cr £60k for Investment Income which was made up of the following variances:

a) There is an overall shortfall of income on Investment Fund Properties of Dr £17k.

For the past few years contribution have been made to reserves to create an Investment Fund and a substantial part of this Fund has been used to buy Investment Properties. The capital spend to date for the purchases of these properties is £62.7m of which £28.5m relates to properties in Bromley High Street.

The 2015-16 budget for the expected income from these properties was £3.025m. The actual income received to date was £3.008m, a deficit of Dr £17k. The full year income expected from these properties is £4.02m.

b) The intu Shopping Centre Rent Share is Dr £147k below budget. Accounts are supplied by intu quarterly in arrears and this outturn position is based on information sent on the 28th April 2016. It is difficult to provide precise forecasts as LBB income is determined by the rental income from the shops and the level of contributions to any minor works. For information, the budget for the shopping centre rent share is £2,026k.

c) Additional income at Yeoman House from the NHS CCG with regards to the section 75 agreement totals Cr £68k. It should be noted that this may not be on going beyond 2017-18.

Additional rental income of Cr £130k was received for the Civic Centre from Liberata and from CrossFit. Other minor variations totalled Cr £26k.

Summary of variations for Investment Income

	£'000
Income from Investment Fund Properties	17
Rent share from the intu shopping centre	147
Income from Yeoman House	Cr 68
Rental income from Civic Centre	Cr 130
Other minor variations	Cr 26
Total variations for Investment Income	Cr 60

EARLY WARNING: INTU have been granted planning approval for a proposed new development at The Glades Shopping Centre, which involves internal alterations and extending on to the roof to provide a Cinema and new restaurants. These works are currently estimated to cost approx. £14m. INTU are still working on their detailed proposals for this project and have not yet requested Bromley's consent as Landlord and approval for funding. It is assumed, however, that they will want to proceed with this scheme in due course and Bromley's contribution to the cost of these works under the existing leasing arrangements would be approx. £2.1m. A detailed report will be submitted to Members, including proposed funding arrangements, once INTU have made a formal request and provided the business case.

25 Sold Services (Net Budgets)

Services sold to schools are separately identified in this report to provide clarity in terms of what is being provided. These accounts are shown as memorandum items as the figures are included in the appropriate Saervice Area in the main report.

Waiver of Financial Regulations:

The Council's Contract Procedure Rules state that where the value of a contract exceeds £50k and is to be exempted from the normal requirement to obtain competitive quotations, the Chief Officer has to obtain the agreement of the Director of Resources and Finance Director and (where over £100,000) approval of the Portfolio Holder, and report use of this exemption to Audit Sub committee bi-annually. Since the last report to the Executive, no waivers have been actioned.

Virements Approved to date under Director's Delegated Powers

Details of virements actioned by Chief Officers under delegated authority under the Financial Regulations "Scheme of Virement" will be included in financial monitoring reports to the Portfolio Holder. Since the last report to Executive, 1 virement has been actioned - £20k for ISD Contract Transition Manager from within ISD budgets.

Allocation of Contingency Provision for 2015/16 (continued)

Item	Carried Forward from 2014/15	Allocations				Variation to Original Contingency Provision	Request to Carry Forward
		Previously Approved Items	New Items Requested this Cycle	Items Projected for Remainder of Year	Total Allocations/ Projected for Year		
	£	£	£	£	£	£	£
TOTAL BROUGHT FORWARD	14,003,000	12,910,300	433,000	0	13,343,300	Cr 659,700	604,900
Items Carried Forward from 2014/15							
Care Services							
Social Care Funding via the CCG under S256 agreements							
Invest to Save - Dementia and PD							
- expenditure	208,790	208,790			208,790	(2)	0
- income	Cr 208,790	Cr 208,790			Cr 208,790		0
Impact of Care Bill							
- expenditure	104,750	104,750			104,750	(2)	0
- income	Cr 104,750	Cr 104,750			Cr 104,750		0
Integration Funding - Better Care Fund							
- expenditure	300,000	300,000			300,000	(2)	0
- income	Cr 300,000	Cr 300,000			Cr 300,000		0
Helping People Home							
- expenditure	27,930	27,930			27,930	(2)	0
- income	Cr 27,930	Cr 27,930			Cr 27,930		0
Adoption Reform							
- expenditure	417,737	285,414			285,414	(2)	Cr 132,323
- income	Cr 417,737	Cr 285,414			Cr 285,414		Cr 132,323
Tackling Troubled Families							
- expenditure	1,260,151	886,660			886,660	(2)&(9)	Cr 373,491
- income	Cr 1,260,151	Cr 886,660			Cr 886,660		Cr 373,491
Step Up to Social Work							
- expenditure	72,159				0	Cr	72,159
- income	Cr 72,159				0		Cr 72,159
Public Health							
- expenditure	140,909				0	Cr	140,909
- income	Cr 140,909				0		Cr 140,909
Welfare Reform Funding for Housing							
- expenditure	65,063	65,063			65,063	(2)	0
- income	Cr 65,063	Cr 65,063			Cr 65,063		0
Chief Executive's							
Individual Electoral Registration							
- expenditure	19,000	19,000			19,000	(5)	0
- income	Cr 19,000	Cr 19,000			Cr 19,000		0
Education							
Early Years Grant							
- expenditure	18,808	18,808			18,808	(6)	0
- income	Cr 18,808	Cr 18,808			Cr 18,808		0
SEND Reform/Implementation							
- expenditure	307,357	307,357			307,357	(1)	0
- income	Cr 307,357	Cr 307,357			Cr 307,357		0
SEN Preparation for Employment							
- expenditure	45,941	45,941			45,941	(6)	0
- income	Cr 45,941	Cr 45,941			Cr 45,941		0
Public Protection & Safety							
Domestic Abuse							
- expenditure	26,570	26,570			26,570	(4)	0
- income	Cr 26,570	Cr 26,570			Cr 26,570		0
General							
YOT Service Strategy Review	76,500	76,500			76,500	(6)	0
Review of Placing Planning	11,000	11,000			11,000	(6)	0
Waste - 3 split bodied vehicles	558,000	558,000			558,000	(3)	0
- underspend to be returned to contingency		Cr 200,000			Cr 200,000		Cr 200,000
Countryside & Woodland Improvement Works	40,000	40,000			40,000	(3)	0
Keston Ponds Dam	20,000	20,000			20,000	(3)	0
Local Plan Implementation	60,000	60,000			60,000	(7)	0
Biggin Hill Airport - Noise Action Plan	40,000	40,000			40,000	(7)	0
IT Purchase of Hardware for Disaster Recovery/Windows	122,000	122,000			122,000	(5)	0
Legal Case Work System Upgrade	29,900	29,900			29,900	(5)	0
Transparency Agenda	29,000	29,000			29,000	(5)	0
Staff Merit Awards (held in Contingency)	200,000		110,830		110,830		Cr 89,170
	1,186,400	786,400	110,830	0	897,230	Cr 289,170	89,170
Grants included within Central Contingency Sum							
Winter Resilience Funding (Bromley CCG)							
- expenditure	366,480	15,002			15,002	(8)	Cr 351,478
- income	Cr 366,480	Cr 15,002			Cr 15,002		Cr 351,478
Total Grants	0	0	0	0	0	0	0
Total Carried Forward	1,186,400	786,400	110,830	0	897,230	Cr 289,170	89,170
GRAND TOTAL	15,189,400	13,696,700	543,830	0	14,240,530	Cr 948,870	694,070

Notes:

- | | |
|---|---|
| (1) Executive 25th March 2015 | (6) Education Budget Sub-Committee 30th June 2015 |
| (2) Care Services PDS 23rd June 2015 | (7) Renewal & Recreation PDS 24th June 2015 |
| (3) Environment PDS 7th July 2015 | (8) Executive 15th July 2015 |
| (4) Public Protection and Safety PDS 30th June 2015 | (9) Executive 2nd December 2015 |
| (5) Executive & Resources PDS 3rd June 2015 | |

Description	2015/16 Final Approved Budget £'000	Variation To 2015/16 Budget £'000	Potential Impact in 2016/17
Education Services Grant	Cr 1,650	0	The Education Services Grant (ESG) is allocated on the basis of pupil numbers, and grant reduces in-year as schools convert to academies. This has been dealt with by a draw down from contingency. The full year effect of the ESG grant reduction is £75k after this adjustment and is included in the financial forecast for the 2016/17 budget.
Adult Education	Cr 219	Cr 14	The current overspend for the Adult Education Service has continued from 2013/14, and is expected to continue into at least part of 2016/17. Some efficiency savings have been implemented to help contain this, however there is a total income shortfall of £518k, with only a net reduction of £136k on running costs to offset this. The consultation on the proposed restructure was released on 16/10/15, the outcome of which will be reported to members in due course. A supplementary estimate was approved for 2015/16, with the balance being returned to the contingency in future years for the impact of the restructure.
Blenheim & Community Vision Nurseries	0	Cr 81	An underspend of £81k is projected for 2015/16 on the nursery trading accounts, and this is currently expected to continue into 2016/17. The service is currently being market tested which could result in a future reduction in net income.
Youth Services	1,554	203	Pressure to achieve the 2015-16 savings will continue in to the following financial year with a full year effect of £62k overspend, with the main challenge being the achievement of the budgeted level of Letting Income. Once the new service structure has been running for a period of time the opportunities for the achievement of letting income will be clearer and the aim will be to review the budget to minimise any negative impact.
Housing Needs - Temporary Accommodation	6,315	43	Pressures in Temporary Accommodation (TA) (Bed and Breakfast) will continue into 2016/17. The full year effect of the pressures in 2016/17 is forecast to be £55k overspent, and it should be noted that further growth is expected in 2016/17. However there is funding set aside in the central contingency to cover this, and it is assumed that this will be drawn down to reduce the overspend to a net zero.
Assessment and Care Management - Care Placements	19,715	Cr 719	The current full year effect on client projections is estimated as Cr £603k. This figure includes the reduction in costs of £250k as a result of the management of demand at first point of contact that was included as part of the 2015/16 budget savings.
Learning Disabilities Care Management	2,641	0	The full year effect on client projections is estimated at Dr £198k in relation to Domiciliary Care and Direct Payments budgets.

Description	2015/16 Final Approved Budget £'000	Variation To 2015/16 Budget £'000	Potential Impact in 2016/17
Residential, Supported Living, Shared Lives - Learning Disabilities	24,293	Cr 577	Despite a significant 2015/16 underspend, the full year effect is estimated at a lower level of underspend at £40k. This is because clients placed in-year in 2015/16 will only have a part year cost in 2015/16 but a full year cost in 2016/17. In addition, the full year effect includes Cr £200k savings relating to the outsourcing of LD day care, supported living and short breaks services which has only a small part year effect in 2015/16. There are budget savings required in 2016/17 and this FYE underspend is advance achievement of this.
Residential, Supported Living, Flexible Support, Direct Payments - Mental Health	6,176	Cr 239	The full year impact of the current underspend is estimated at Cr £134k. As with LD above, this is lower than the 2015/16 underspend as clients placed towards the end of 2015/16 will only have a part year cost in 2015/16 but a full year cost in 2016/17.
Supporting People	1,413	Cr 79	The full year effect of the current year's underspend is Cr £164k. This has arisen from limiting inflationary increases paid to providers and re-tendering / extending contracts at a reduced cost.
Protection of Existing Social Care Services - Better Care Fund	4,250	Cr 529	There is a full year underspend of £267k on existing social care services protected by Better Care Funding. This relates to contracts in the Information and Early Intervention and Carers budgets.
Commissioning - Contracts	432	Cr 58	The full year effect underspend of savings on Commissioning-related contracts (e.g. Healthwatch, direct payments) is £99k and, again, is early achievement of 2016/17 budget savings.
Children's Social Care	27,934	Cr 196	The current full year effect for CSC is estimated at Cr £482k. This can be analysed as Cr £453k on placements, Cr £75k for the virtual school, Dr £166k on leaving care clients and Cr £120k on services for children with disabilities. Cr £445k of this relates to early achievement of 2016/17 budget savings.
Lubbock House	150	0	The current full year effect impact for the closure of Lubbock House is Cr £70k. Lubbock house closed in 2015/16 and this is the recovery of the remaining in year costs.
Day Opportunities	944	0	The current full year effect is Cr £100k. The invest to save reorganising Day Opportunities and operating on a new business model. Savings have been taken in previous years and this is the remaining amount.
Contract savings across Adult Social Care and Commissioning	48,490	Cr 430	The current full year effect is Cr £430k. Contracts have been challenged in terms of pricing and have been reorganised or prices increases kept to a minimum.
Transport	1,375	Cr 209	The current full year effect is Cr £243k due to the tendering of the service. Demand appears to have fallen for transport services and the contract is based on a cost per trip and therefore a further reduction of £100k above the original saving of £143k has been estimated in the budget.
Public Health	Cr 372	14	Although a sum of £151k was transferred to reserves at the end of the year, at this stage it is not expected that this would be recurring therefore a full year effect of £0k is now reported.

Description	2015/16 Final Approved Budget £'000	Variation To 2015/16 Budget £'000	Potential Impact in 2016/17
Customer Services	937	90	There are annual maintenance costs of £36k Dr associated with the maintenance of the Customer Services portal. The first years maintenance cost was funded from the Invest to Save scheme, however the ongoing funding for this has not yet been identified.
Investment & Non-Operational Property	390	Cr 187	An ongoing underspend of £90k Cr is projected for Exchequer House (Bromley Old Town Hall). This building is vacant and listed. The sale of this building is expected to be completed this financial year.
Investment Income	Cr 7,396	Cr 60	For the past few years, contributions have been made to reserves to create an Investment Fund and a substantial part of this Fund has been used to buy Investment Properties. The capital spend to date on the purchase of these properties is £62.7m of which £28.6m relates to properties in Bromley High Street. The full year income from these properties is projected at £4.02m. These income projections do not take into account any loss of interest earnings on general fund balances as a result of the capital spend.
Markets	Cr 2	Cr 50	The current year's surplus income of £35k due to higher than budgeted activity as well as £10k of the £15k underspends across running expenses are expected to continue into 2016/17.
Waste	18,087	Cr 182	The full year effect of Cr £270k largely relates to savings associated with revisions to the kerbside paper collection service, which took effect from June 2015.
Highways (incl London Permit Scheme)	7,219	228	There is an expected income deficit within NRSWA income of £145k for 2016/17, largely as a result of continuing improved performance from utility companies and therefore lower charges raised by the Council. Officers have found alternative savings to offset this deficit in future years, part of which is the additional parking income.
Parking	Cr 6,451	Cr 1,004	£200k of this on-going surplus is expected to be used to offset the deficit relating to the implementation of the changes as a result of the Deregulation Act on CCTV parking and bus lane enforcement as set out in the report to the Executive on 2 December 2015. £85k surplus parking income anticipated for 2016/17 will be used to contribute towards the Highways deficit as part of the budget setting process. A carry forward request for £306k of the underspend in 2015/16 has been submitted to meet the cost of the new automatic enforcement cameras in early 2016/17.

Carry Forwards from 2015/16 to 2016/17

WITHIN DELEGATED AUTHORITY		£	£
<u>RESOURCES PORTFOLIO</u>			
1	Repairs and Maintenance (All Departments) The Property & Finance Sub-Committee, in December 2001, agreed that a carry forward could be made at the end of each financial year of revenue underspends on landlord building maintenance on the basis that Property will continue to seek to contain total expenditure within approved annual budgets. The total of £301k to be carried forward relates to underspends in the following areas: Anerley Town Hall Subsidence Works (£60k) Water Treatment works (£50k) Reconstruction of Old Stable Block wall at Central Depot (£135k) Cyclical maintenance (£56k)		301,000
MEMBERS' APPROVAL REQUIRED			
<u>Grants with Explicit Right of Repayment</u>			
<u>CARE SERVICES PORTFOLIO</u>			
2	Social Care Funding via the CCG under s256 Agreements: Adult Social Care Invest to Save Schemes Between 2010/11 and 2012/13 the Department of Health allocated funds for social care services which also supported the NHS. This funding was transferred to Bromley from the PCT under s256 agreements. A number of investment plans were approved by the Executive and drawn down in to the ECHS budget. The remaining unspent funding is required to be carried forward to 2016/17 to fund the residual commitments of the schemes. If the funding is not spent on agreed priorities there is a right of repayment.	48,170	
	Integration Funding - Better Care Fund The 2014/15 funding transfer from NHS England included a £992k one-off integration payment which formed the first part of the Better Care Fund. The unspent balance of £300,000 is required in 2016/17 to support the development of integrated commissioning with the CCG.	300,000	
3	Better Care Fund 2015/16 has been the first full year of operation for the Better Care Fund (BCF). Some BCF allocations, including those for resilience and reablement, were not fully spent by 31st March 2016 and it is required that these are carried forward for spending on BCF activities in 2016/17. This funding will be allocated together with the new BCF funding for 2016/17 and be allocated to projects as agreed.	381,360	
4	Helping People Home Grant On 27th January 2015 LBB received notification from the DCLG that we would be receiving additional funding via a DOH section 31 grant in 2014/15 to "help address the current pressures on acute hospitals that serve your area because of delayed discharges to social care for your residents". The grant allocation was £120,000. Following on from this a further notification was received on the 25th March 2015 notifying us of an additional £40,000 for extension of the scheme. This amount was not utilised at the time and needs to be carried forward for possible repayment , or continuation of services with agreement from the DOH.	40,000	
5	Winter Resilience Funding 14/15 (Bromley CCG) As part of Winter Resilience planning in 2014/15 by Bromley CCG, a sum of £680,288 was allocated to LBB from the CCG for care packages and additional equipment over the period October 2014 to March 2015 to assist in discharges from hospital of which £313,808 was spent in that year, The balance of £366,480 remaining was carried forward into 2015/16 and £15,000 of this was spent. As winter resilience spending in 2015/16 was able to be contained within the allocated funding, this sum was not required this year. Bromley CCG have agreed that any underspends may be carried forward to be spent on continuation of the projects.	351,480	
6	Winter Resilience Funding 15/16 (Bromley CCG) As part of Winter Resilience planning by Bromley CCG, a further sum of £116,750 was allocated to LBB from the CCG for care packages for the month of April 2016 to assist in discharges from hospital. For 2015/16, expenditure was able to be contained by Winter Resilience funding which now comes from the Better Care Fund, so this sum was not required in year. Bromley CCG have agreed that any underspends may be carried forward to be spent on continuation of the projects already started.	116,750	
7	DCLG Preventing Homelessness Grant This grant was approved by DCLG and received by Bromley late in 2015/16. The grant is to be used to fund a pilot around early intensive intervention to increase homeless prevention and access to privately rented accommodation as part of the initiatives to reduce the current homelessness and temporary accommodation pressures. This pilot required the recruitment of staff to allow it to start and this was not possible until the early part of 2016/17. We intend to fully spend the grant during 2016/17, with reports back to Members through the regular performance monitoring reports for housing.	200,000	
Care Services Portfolio			1,437,760

RENEWAL & RECREATION PORTFOLIO

8	New Homes Bonus - Town Centre Management There is an underspend of £42k relating to the two NHB top slice projects within Orpington and Penge, and a request will be submitted to the Executive to carry forward this amount in order to complete the specific projects which will be delivered over a period of two years to 31 March 2017.	41,687
9	New Homes Bonus - Regeneration There are 4 NHB top slice revenue projects which secured funding agreed through LEP in 2015/16. These will be delivered over 2 years commencing in 2015/16. The 4 projects include: Penge town centre and Orpington town centre (a proportion of which was allocated to TCM and is included in a separate carry forward request), Biggin Hill Technology & Enterprise centre and Lagoon Rd industrial estate refurbishment. These projects will be delivered over 2 years commencing in 2015/16. At the end of 2015/16 £181,571 of budget had not yet been utilised and a carry forward has been requested so that the associated project work can be completed in 2016/17.	181,571
Renewal & Recreation Portfolio		223,258
Total Expenditure to be Carried Forward		1,661,018
Total Grant Income		-1,661,018

Grants with no Explicit Right of Repayment**RESOURCES PORTFOLIO**

10	Individual Electoral Registration (IER) Transition Grant A grant of £72,609 was received in March 2016 to support the changes required for the introduction of Individual Electoral Registration. Due to the late notification of this funding it was not possible to spend it in 2015/16 and it is therefore requested to carry forward this sum to 2016/17.	72,609
11	New Debt Management System Transformation grant of £344k was received during March 2016 and was set aside to fund new Debt Management System. £167k was spent during 2015/16 however the balance is needed to meet the costs of finalising the system during 2016/17. It is therefore requested to carry this sum forward to 2016/17.	177,000
Resources Portfolio		249,609

CARE SERVICES PORTFOLIO

12	Adoption Reform Grant This is the non ring-fenced element of the Adoption Reform grant. Bromley received £548k grant in 2013/14 of which £63k was spent with the balance of £485k carried forward to 2014/15. A further £273k of grant was received in 2014/15, bringing the total funding available to £758k in 2014/15. Expenditure of £341k was incurred during the year and £285k in 2015-16. This leaves a balance of £132k. The balance of grant is requested to be carried forward to support work to the develop the increased supply of adopters with the aim of reducing the backlog of children waiting adoption particularly those children who traditionally have to wait longer than average.	132,323
13	Tackling Troubled Families Grant This grant is to fund the development of an ongoing programme to support families who have multi faceted problems including involvement in crime and anti social behaviour with children not in education, training or employment. This support is delivered through a number of work streams cross cutting across council departments and agencies. Funding of £1,260k was approved for carry forward from 2014/15 of which £749k was spent leaving £511k available for carry forward (£373k in the contingency and £138k in portfolio budgets). In addition, a further £661k was received in 2015/16 providing total funding to be carried forward of £1,172k.	1,172,184
14	Step Up to Social Work In December 2011 the Executive approved the release of the Step up to Social Care funding into the CYP Budget, to run the Step Up to Social Work Programme in partnership with the London Boroughs of Bexley and Lewisham. The programme is designed to attract high calibre professionals into children's social work. In 2012/13 a request was made to carry forward funding of £171k to be spent in 2013/14. Additional funding was also received in 2013/14 which meant that the full carry forward was not required in that year. A request is now being made to carry forward to 2016/17 the remainder of the unspent 2012/13 amount of £72k to continue the programme.	72,159
15	Public Health Grant The Public Health Grant underspent by £141k in 2014/15 and by £152k in 2015/16. The balance is requested to be carried forward to fund public health initiatives as per the terms of the grant.	292,700
16	Implementing Welfare Reform Changes The funds provided were to meet the cost of implementing welfare reform. There has been a time lag between implementation of the legislation and impact being seen and this is still the case. In addition, there are plans to reduce the benefit cap to a maximum of £23,000 a year if you live in London and £20,000 if you live elsewhere in the UK. This could potentially mean our caseload will double, possibly triple. For some families that we have assisted through budgeting the current benefit cap, will no longer be able to afford to meet their rent payments. This funding will need to be drawn down during the following year to help mitigate the impact and potential increase in homelessness resulting from these changes. In addition there have been delays in implementing Universal Credit nationally. Roll out for the Bromley area commenced in January 2016. The funding will therefore be needed to cover the costs of local implementation.	56,640
Care Services Portfolio		1,726,006

EDUCATION PORTFOLIO

17	SEN Reform / Implementation Grants Carry Forward request already Approved in Executive Budget Monitoring Report 23rd March 2016 (para 3.3.2)	28,476
18	SEN Reform / Implementation Grants Carry Forward request already Approved in Executive Budget Monitoring Report 23rd March 2016 (para 3.3.2)	80,000
19	London SEND Regional Lead Grant Carry Forward request already Approved in Executive Budget Monitoring Report 23rd March 2016 (para 3.3.2)	15,000
20	Early Years Grant - Supporting early education of disadvantaged children It has taken longer than expected to work through the IT related agreements to purchase one piece of software and we will need more time going in to 16-17 to purchase and implement further IT solutions. To support this there will be a need to use the grant funding to fund additional hours for a member of staff to steer this activity through to completion, which the conditions of the grant allow.	14,800
Education Portfolio		138,276

ENVIRONMENT PORTFOLIO

21	Drainage/Lead Flood Grant Bromley received grant funding from Defra in April 2015 to help support the role of Lead Local Flood Authorities (LLFAs) as statutory consultees for the planning application process. The total value of one-off funding received was £69,481.73 and was to help LLFAs prepare to undertake their new role. The funding was not ring-fenced, but the Government did expect authorities to use sufficient of the funding to build capacity within the organisation and to develop standing advice that could be provided on surface water drainage proposals in major development planning applications as efficiently and cost-effectively as possible. A carry forward request will be submitted to the Executive to carry forward this funding to 2016/17 to ensure that the advice could be prepared. A report will be brought to the next Executive to seek approval to use the grant and will provide details of the activities that will be funded by it.	69,482
22	WEEE Grant Bromley was awarded a grant of £27,000 during 2015/16 for the Waste Electrical & Electronic Equipment (WEEE) collection projects from the Distributor Take Back Scheme Phase III. The Project aimed to take WEEE recycling closer to the residents, by placing attractive, sensibly sized modular collection banks at points within schools where pupils, parents and teachers can easily access them. It is hoped that this project will further increase the collection of WEEE material. The project was to run through to 2016/17 and the remaining balance of £13,090 is needed to meet the costs of the project during the next financial year. A carry forward request will be submitted to the Executive to ensure the project can continue to be run during the next financial year.	13,090
Environment Portfolio		82,572

PUBLIC PROTECTION & SAFETY PORTFOLIO

23	Domestic Abuse Grant Bromley received a DCLG grant in 2014/15 and 2015/16 for £86,570 relating to the prevention of domestic abuse. The grant was awarded on the understanding that the project would be delivered by Bromley Women's Aid (BWA) during 2015/16 and 2016/17. On 9 September, Executive agreed to carry forward any residual balance of the grant into 2016/17 to enable BWA to deliver the project. A sum of £60,610 has been transferred to the grant contingency and a carry forward request will be submitted to the Executive.	60,610
Public Protection & Safety Portfolio		60,610
Total Expenditure to be Carried Forward		2,257,073
Total Grant Income		-2,257,073

Other Carry Forward Requests**CARE SERVICES PORTFOLIO**

24	YOS Service Strategic Review The service is in the process of being restructured in order to meet budget requirements and to cover the reduction in government grant for the YOS. This is balanced for 2017/18. However, the proposed establishment cannot be achieved in 2016/17 due to the additional costs of employing an Interim Head of Service, the additional half year costs of seconding a manager from the YJB and two additional unqualified posts necessary for this interim period. This amounts to £97k.	97,000
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EDUCATION PORTFOLIO

- 25 Consultancy support to improve the information held by the Council on place planning and future demand for school places** **40,000**
- The funding is to provide consultancy support to improve the information held by the Council on place planning and future demand for school places. The first part of this works has been completed with regards the detailed analysis of the school census, live births and GLA projections. However, further work is required to provide:
- data 'heat' maps that show areas of pressure in the borough
 - analysis of GP data to improve understanding of what happens to children between birth and arriving at school
 - provide analysis of new data sets for live births and the new school census
 - Map admissions information
- This information is key in informing Members about the need for school places in the context of rising demand for school places. The work of the consultant has enable us to provide information about demand down to ward and super optu area level that was previously not available. Without the funding we would be unable to meet the demand from Members for detailed information about the demand for school places.

ENVIRONMENT PORTFOLIO

- 26 Parking - Automated Cameras - Bus Lanes** **180,000**
- On 2nd December 2015 the Executive agreed a sum of £306k be released from the Central Contingency (set aside for Parking Enforcement) for the purchase and installation of ten automated cameras to undertake Bus Lane enforcement and five automated cameras for enforcement at schools via a Framework run by Waltham Forest. The £180k for Bus Lanes was not spent in 2015/16 due to the longer ordering time of this specialist equipment and some technical issues such as the connection of the encoders. A carry forward request will be submitted to the Executive to meet the costs of the equipment and installation in 2016/17.
- 27 Parking - Automated Cameras - Non Bus Lanes** **126,000**
- As part of the £306k released from the Central Contingency outlined above, the supply and installation of the automated cameras around schools £126k was not spent in 2015/16 also due to the longer ordering time of this specialist equipment and technical issues. A carry forward request will be submitted to the Executive to complete this purchase and installation.

RENEWAL & RECREATION PORTFOLIO

- 28 Local Plan Implementation** **47,322**
- Of the £60k carried-forward from 2014/15 for the Local Plan Implementation, only £13k was spent, and therefore a further carry-forward request will be made at year-end so that the costs of the Examination in Public can be met in 2016/17 and to undertake any further evidence work required.
- 29 Biggin Hill Airport Noise Action Plan** **54,870**
- During 2015/16 expenditure of £63k has been incurred for specialist consultancy work and Counsel advice relating to the Noise Action Plan for Biggin Hill Airport. This was partly funded by the £40k carried forward from 2014/15. Further consultancy work is required to be undertaken on the Noise Action Plan during 2016/17 and consequently a carry forward request of the R & R Portfolio underspend will be made for £55k in order to complete this contracted consultancy work. It should be noted that the cumulative contract value for the Noise Action Plan work totals £100k.
- 30 Biggin Hill Memorial Museum** **47,400**
- A carry forward request is being submitted to seek approval to allocate a sum of £47,400 from the 2015/16 underspend in the Central Contingency to be used as match funding for the development work involved with the preparation of the first round grant application to the HLF for the Biggin Hill Memorial Museum.

RESOURCES PORTFOLIO

- 31 IT - BT Transition costs** **77,000**
- A request to carry forward the underspend of £77k within Information Systems & Telephony is being submitted to meet the additional transition costs of BT and to continue to fund a transition manager post as approved by Executive on 17 September 2015.
- 32 IT upgrade at Anerley Business Centre** **30,000**
- On 14 October 2015, Executive approved funding of £30k payable to the Crystal Palace Community Development Trust, as a contribution towards the upgrade of IT in Anerley Business Centre. The work is planned to go ahead during 2016/17 and it is requested that the amount is carried forward to 2016/17 in order to pass the contribution to the Trust when the works commence.
- 33 Transparency Agenda** **14,000**
- A carry forward of £14k is requested from underspends on the Strategic Property budget to fund a post which is required to continue the work of updating and verification of property ownership records in accordance with the Transparency Agenda during 2016/17.
- 34 Merit Rewards (in contingency)** **89,170**
- As part of introduction of Localised Pay, Members agreed a merited reward for exceptional performers, and a provision of £200k was included in the Central Contingency. This was to reward the performance of employees during 2014/15. £111k was awarded in 2015/16 and a balance of £89k remains to be paid out during 2016/17. This amount is therefore requested to be carried forward to 2016/17.

35 Residential Property Acquisitions (SPV) - Legal, Professional and Accounting Advice	291,000
On 2nd December 2015, Executive approved funding of up to £50k for specialist legal advice with regard to a proposal to acquire housing stock as temporary accommodation for homeless families. Additional funding of £200k was also agreed to meet specialist legal and actuarial fees with regard to the potential 'gifting' of a significant asset to the Council's pension fund. £49k was set aside in departmental revenue budgets to specifically meet the cost of specialist accounting advice and only £8k has been required to date. Due to the nature and timing of these proposals it is requested that the remaining funds be carried forward into 2016/17 to meet the specialist advice that will be required to finalise arrangements.	
36 Civic Centre Development Strategy (in contingency)	257,500
On 17 th September 2015 Executive agreed to set aside funding of £57.5k for additional consultancy services for the development of the Civic Centre site from the Central Contingency. In addition to this funding, on 18 May 2016, Executive agreed to allocate a sum of £200k from the general underspends in 2015/16 to meet the cost of document management for the Civic Centre. The Executive is requested to agree the carry forward of £257.5k for the Civic Centre development.	
37 Contracts Register/Summaries Database	50,000
The proposal is to build a database that holds all the information currently held on the Councils Contract Register along with additional information such as waivers approved, gate reports, audit issues, risks etc. The new system will RAG status contracts automatically when the contracts are due to end (currently officers do this manually which takes up quite a lot of officer time) and the database will link into the Councils finance system for the latest approved budget and projected expenditure so avoid many of the manual processes which are currently undertaken. Some of this work can be undertaken within existing resources but a one off sum of £50k is required to fully develop the database and automate the manual processes. If agreed it is anticipated this work will be completed within the next 6 months	
Total Other	<u>1,401,262</u>
Net Total Requiring Approval	1,401,262
TOTAL CARRY FORWARD TO 2016/17	<u><u>1,702,262</u></u>

EARMARKED GENERAL FUND BALANCES - 2015/16

Description	Balance at 01/04/2015	Expend- iture	Income		Balance at 31/03/2016
			Contribs.	Interest	
	£'000	£'000	£'000	£'000	£'000
EARMARKED BALANCES					
LPSA Reward Grant	231	110			121
Technology Fund	1,825			28	1,853
LAA Pump Priming Grant	750				750
Town Centre Improvement Fund (LABGI)	66	11			55
Transformation Fund	4,463	1,450			3,013
Investment to Community	624	46			578
R & R Redundancy Reserve	116				116
Works to Property	100				100
Building Control Charging Account	131	131	131		131
Government Grants	2,373	1,554	1,438		2,257
Invest to Save	13,343	1,640	1,678		13,381
Bromley Welcare	29				29
One off Member Initiatives	1,039	223	750		1,566
Infrastructure Investment Fund	2,000				2,000
Commissioning Authority Programme	86	31			55
Health & Social Care 'Promise Programme'	5,953				5,953
Housing Strategy Account	14	14	25		25
Community Right to Bid & Challenge	46				46
Glades Refurbishment	97	90			7
Investment Fund	33,670	34,442	4,541		3,769
Winter Pressures	1,542				1,542
Refurbishment of War Memorials	16	3			13
Key Health & Social Care Initiatives	1,700				1,700
Integration of Health & Social Care Initiatives	1,709	95			1,614
Collection Fund Surplus Set Aside	2,964	2,964			0
Healthy Bromley Fund	3,815				3,815
Glaxo Wellcome Endowment	179	7		3	175
Cheyne Woods and Cyphers Gate	187	14			173
Public Halls Fund	7				7
Future Repairs of 145, High Street	7		12		19
Parallel Fund	2,866	57			2,809
Growth Fund	10,000	41	12,500		22,459
Health & Social Care Integrated Commissioning Fund	4,550				4,550
Bromley Youth Music Trust	77	77			0
Financial Planning & Risk Reserve	5,000				5,000
Bromley Welfare Fund	970				970
Payment in Lieu Reserve for Temporary Accommodation	23		28		51
Business Rates Risk Reserve	1,200		3,000		4,200
New Reserves Set Up in 2015/16					
One Off Expenditure in 2016/17 (inc. TFM Contract)			461		461
Crystal Palace Park Improvements		2	240		238
Various Joint Schemes and Pump Priming Investments			3,100		3,100
Subject to Approval by Executive 15th June 2016					
Growth Fund			7,024		7,024
Sub-Total	103,768	43,002	34,928	31	95,725
Schools	4,544	2,555	2,028		4,017
Insurance Fund	2,888	716	854	73	3,099
TOTAL	111,200	46,273	37,810	104	102,841

Note

Members should note that the balance at 31/3/2016 represents the "cash" balance and in some cases the monies shown will already be committed for future years on various schemes.

SECTION 106 RECEIPTS

Section 106 receipts are monies paid to the Council by developers as a result of the grant of planning permission where works are required to be carried out or new facilities provided as a result of that permission (e.g. provision of affordable housing, healthcare facilities & secondary school places). The sums are restricted to being spent only in accordance with the agreement concluded with the developer.

The major balances of Section 106 receipts held by the Council are as follows:

31 March 2015 £000	Service	Income £000	Expenditure £000	Transfers to/(from) Capital £000	Actual as at 31 Mar 2016 £000
					Revenue
680	Highway Improvement Works		11	(295)	374
0	CCTV				-
45	Road Safety Schemes				45
121	Local Economy & Town Centres	82	77		126
53	Parking	23			76
847	Healthcare Services	356	35		1,168
11	Community Facilities (to be transferred to capital)		1		10
10	Other	300			310
<u>1,767</u>		<u>761</u>	<u>124</u>	<u>(295)</u>	<u>2,109</u>
					Capital
0	Local Economy & Town Centres				-
1,591	Education	1,210			2,801
4,856	Housing	934	609		5,181
0	Highway Improvement Works		214	295	81
0	Community Facilities				-
<u>6,447</u>		<u>2,144</u>	<u>823</u>	<u>295</u>	<u>8,063</u>
<u>8,214</u>		<u>2,905</u>	<u>947</u>	<u>0</u>	<u>10,172</u>

SCHOOLS' DELEGATED BUDGETS

Consistent Financial Report (CFR) is a framework of income and expenditure items and balances, which provides schools with a benchmark facility to allow them to promote self-management and value for money. A CFR return has been produced by all schools maintained by the LA as at 31 March 2016.

The CFR framework details five balances, which provide an overall picture of the resources available to the school from one year to the next, and give information about any carried forward balances. The balances are categorised as follows:

- B01: Committed Revenue Balances
- B02: Uncommitted Revenue Balances
- B03: Devolved Formula Capital Balances
- B05: Other Capital Balances
- B06: Community Focussed Extended Schools Balances

N.B. B04 Other Standards Fund Capital Balances has now been removed as Standards Funds no longer exist.

The following table shows schools' reserves as at 31 March 2016, the end of the 2015/16 financial year. The table below shows an overall decrease in balances of £527k (decrease from £4,544k to £4,017k. This decrease can be seen to be across both revenue and capital balances and across each of the school sectors as detailed below.

	Nos	Accrued Balances at 1 April 2015	Under/ Over (-) Expenditure in 2015/16	Accrued Balances at 31 March 2016	Analysis of Balances as at 31 March 2016					
					Committed Revenue	Uncommitted Revenue	Devolved Formula Capital	Other Capital	Community Focussed Extended Services	Total Balances
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Primary Schools	19	3,492	-727	2,765	254	2,404	28	69	10	2,765
Secondary Schools	1	451	10	461	0	461	0	0	0	461
Special Schools	3	601	190	791	86	588	0	42	75	791
Total	23	4,544	-527	4,017	340	3,453	28	111	85	4,017

THE SCHOOLS BUDGET

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 year's Schools Budget.

There is a total in year overspend of £1,464k on DSG funded services as outlined below. This on top of the £4,739k budget use of the 2014/15 carry forward has reduced the carry forward from £9,886k to £3,683k in 2015/16. As agreed by the Portfolio Holder for Education following the meeting of the Education Sub-Committee on 6th January 2015, £3.5m was distributed as a one-off payment to schools in 2015/16, £3m will be set aside for the refurbishment of Beacon House (that is now partly used), and £2m used to contain growth in 2015/16 and 2016/17.

An analysis of the main variations is provided below:

	£000 Outturn Variance
Beacon House Refurbishment	1,499
Bulge Classes (inc Modular classroom rentals)	1,453
SEN - Placements	523
SEN - Transport	Cr 125
SEN - Other Variations	Cr 315
Free Early Education	Cr 1,256
High Needs Top Up (Excluding Special Schools)	Cr 642
Special Schools / Units	729
MPAA,CLA etc licenses	70
Primary School Nursery Funding	Cr 180
DSG Allocation Adjustments	Cr 277
Other Variations	Cr 15
Final Outturn	1,464

The most significant variations above are:-

a) The £1.499k costs for Beacon House relate to the refurbishment of the property following its purchase last year. The costs are expected to continue into 2016/17. A budget was approved in 2015/16 for these costs. Of the budget set aside for this project, there still £1.550k remaining.

b) There is a continued increase in the requirement for bulge classes, and for the first time, a need for them at secondary level, a year earlier than had been anticipated, resulting in an overspend of £1.453m on the £1.5m budget. This £1.5m included the additional £500k which was agreed to be added to the budget for two years, funded from the DSG carry forward. Schools Forum reviewed the future funding of bulge classes and decided not to make any changes for 2016/17, however this will be reviewed again for 2017/18, especially in light of the projected pressures across DSG as a whole. This includes a £121k overspend relating to the rental of temporary modular classrooms for bulge classes.

c) SEN placements and support costs are overspent by a total of £523k, mainly due to a significant projected increase in pupil numbers in independent and out-borough placements, including pupils aged 20-25 with EHC plans who wouldn't previously have been supported. There has also been an increase in the average level of matrix support provided to schools.

d) The DSG funded element of SEN Transport is projected to underspend by £125k. The funding regulations do not permit this budget to be increased from the previous year, so it is kept at the current level in anticipation of further increased take up of lower cost in-borough placements in future years.

INVEST TO SAVE FUND

This earmarked reserve was set up with a sum of £14m, as approved by Council in October 2011, to enable "loans" to be provided for Invest to Save initiatives. Advances are to be repaid within a "reasonable" period with schemes providing on-going revenue savings to contribute towards reducing the budget gap. In February 2013, Executive agreed that the one-off Council Tax Freeze grant in 2012/13 be added to the Fund, bringing the total contributions up to £17,304k.

Five schemes have been approved to date and, as at 31st March 2016, the actual balance on the Fund stood at £13,381k as detailed in the table below:

Scheme	Approval date (Council/Exec)	Contrib- utions £'000	To 31st March 2016			
			Approved "loans" £'000	Advanced from Fund £'000	Repaid to Fund £'000	Net "loan" 31/03/16 £'000
Approved funding						
Initial Funding allocation	Oct-11	14,000				
Council Tax Freeze grant	Feb-13	3,304				
Approved schemes						
Green waste/textile collection service	Dec-11		220	220	220	0
Replace street lighting columns	Nov-12		8507	8435	4791	3644
Bellegrove - refurbishment	Jan-13		400	508	508	0
Stamented pupils - travel training	Apr 13 & Jul 14		460	217	197	20
Transfer CSC to Liberata	Sep-13		330	322	63	259
			17,304	9,917	9,702	3,923
Actual Fund balance 31/03/16						13,381

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Report No.
CSD16104

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: COUNCIL

Date: Monday 4 July 2016

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

Title: FIRST REPORT OF THE EDUCATION SELECT COMMITTEE
2016/17 - THE EDUCATION LANDSCAPE IN BROMLEY

Contact Officer: Philippa Gibbs, Democratic Services Officer
Tel: 020 8461 7638 E-mail: Philippa.Gibbs@bromley.gov.uk

Chief Officer: Director of Corporate Services

Ward: (All Wards);

1. Reason for report

To report the recommendations made by the Education Select Committee at its first meeting held on 25 May 2016.

2. **RECOMMENDATION(S)**

To note the first report of the Education Select Committee and invite the Leader and appropriate Portfolio Holders to respond to the relevant recommendations in the Report.

Corporate Policy

1. Policy Status: Not Applicable:
 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: 2016/17 Budget – Democratic Services
 4. Total current budget for this head: ££335,590
 5. Source of funding: N/A
-

Staff

1. Number of staff (current and additional): 8 posts (7.27fte)
 2. If from existing staff resources, number of staff hours:
-

Legal

1. Legal Requirement: None:
 2. Call-in: Not Applicable:
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): All users of Education Services in the Borough
-

Ward Councillor Views

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

3. COMMENTARY

- 3.1 The Education Select Committee held its first meeting on 25 May 2016 and considered “The Education Landscape in Bromley”.
- 3.2 The purpose of the inquiry was to examine what role the Council would have in education once all maintained schools had become academies.
- 3.3 The report is attached at **Appendix A**.

Non-Applicable Sections:	Financial Implications, Legal Implications, Personnel Implications
Background Documents: (Access via Contact Officer)	Minutes of the Education Select Committee – 25 May 2016

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**FIRST REPORT OF THE EDUCATION SELECT COMMITTEE
2016/17**

THE EDUCATION LANDSCAPE IN BROMLEY

Meeting Date: Wednesday 25 MAY 2016

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Education Select Committee 2016/17 – First Report - The Future Education Landscape in Bromley

1. Introduction

The Education Select Committee met on May 25th 2016.

Present: Cllr Nicholas Bennett JP (Chairman), Cllr Neil Reddin (Vice Chairman)

Councillors Kathy Bance MBE, Kim Botting, Alan Collins, Judi Ellis, Chris Pearce and Stephen Wells.

Mrs Mary Capon, Mrs Joan McConnell, Mrs Alison Regester, Tajana Reeves, Mrs Myleen Williams.

Four witnesses gave evidence at the hearing;:

Cllr Peter Fortune, Portfolio Holder for Education, London Borough of Bromley

Mrs Jane Bailey, Director of Education, London Borough of Bromley

Mrs Sam Parrett OBE, Chief Executive and Principal of Bromley College of Further and Higher Education

Mrs Jo Brinkley, CEO and Executive Head teacher of the Spring Partnership Trust.

Written evidence was provided by Mrs Brinkley. The Director of Education and Mrs Parrett gave PowerPoint presentations and provided written evidence.

The Committee gives its sincere thanks to the witnesses for their evidence.

2. Executive Summary – Recommendations

- 2.1 That the Leader of the Council considers realigning Portfolio Responsibilities to create a Children and Family Portfolio including Youth Offending and Housing.**
- 2.2 That the Council make representations to the Department for Education to strengthen the ‘*duty to co-operate*’ of other parts of the education sector so as to enable the Local Authority fulfil its statutory responsibilities.**
- 2.3 That the Council make representations to the Department for Education that when an authority reaches a position whereby a substantial majority of schools are academies that a ‘critical mass’ has been reached and that the remaining schools be required to convert.**
- 2.4 That the Portfolio Holder for Education establishes the Government’s intentions regarding admission criteria for church schools in order to consider resuming discussions with the Catholic Archdiocese for Southwark with a view to the provision of a secondary school.**
- 2.5 That the Council notes the urgent need to plan and provide for between 30 and 35 additional forms of entry for secondary education by 2021 and recommends that the Development Control Committee, through the Local Plan, ensures that there are sufficient sites to ensure this can be achieved.**
- 2.6 That the Development Control Committee be requested to consider how funding from the Council’s Community Infrastructure Levy could be used for education purposes.**
- 2.7 That the Portfolio Holder for Education considers how the role of the Council as a corporate parent might be strengthened so as to improve the education outcomes for Children Looked After.**
- 2.8 That the Education Department considers whether there is scope for co-operation in the field of SEN provision with Bromley College of Further and Higher Education.**
- 2.9 That the Portfolio Holder and the Director of Education prepare a staffing structure for consideration by the Education Select Committee at its September 2016 meeting.**
- 2.10 That the Portfolio Holder report back to the Education Select Committee on which services currently sold by the Education Department would be economically viable and sustainable once the future role and structure of the Department is decided.**
- 2.11 That the Council explores what further co-operation could be undertaken with the Bromley College of Further and Higher Education in helping people into work and acquiring skills for employment.**

2.12 That the Master Plan for Biggin Hill be expedited to enable an Academy for Aeronautical, Engineering and Motor Vehicles to be established at the Airport by Bromley College of Further and Higher Education.

DRAFT

3. Background

3.1 The purpose of the inquiry was to examine what role the Council would have in education once all maintained schools had become academies.

3.2 Bromley is on track to become the first authority in England to have no maintained schools by 2017. The Government's White Paper, "*Educational Excellence Everywhere*" envisages a reduction in the education responsibilities of local authorities.

3.3 Bromley Local Authority has already made the commitment that all of its schools should become academies. It has been working closely with the Department for Education (DfE) and its maintained schools to encourage them to apply for academy status.

3.4 As at March 2016, 79% of Bromley's schools are academies. DfE officials are in regular contact with Bromley local authority to discuss the progress of schools applying to become academies. This work includes defining the most appropriate Multi Academy Trusts (MATs) for schools to join, and meeting small groups of governing boards and head teachers to discuss governance and explain the process of academy conversion.

3.5 The Education Select Committee had before them a report from the Council's Director of Education which highlighted the key priorities and policies of the various teams within the Education Department. This report covered:

- The Education White Paper and the Role of the Local Authority;
- Key Strategic Partners in Education;
- School Performance and Infrastructure;
- School Governance;
- School Place Planning;
- Special Educational Needs and Disability;
- Early Intervention and Family Support Services;
- The Education Department, Staffing and Structure.

4. Education White Paper

4.1 The Government published the Education White Paper '*Educational Excellence Everywhere*' in March 2016. The paper reiterated the Government's strategy to develop a school-led educational system with the aim of every school being an academy, working in multi-academy trusts overseen by Regional School Commissioners and the Department for Education. An analysis of the implications for local authorities when the proposals in the White Paper are translated into law is attached at **Appendix 1**.

4.2 The Committee also received a review of statutory duties. This showed 178 current duties of which 66 would cease after the forthcoming Education Act. The Review is attached as **Appendix 2**.

4.3 The White Paper indicates that, in future, local authorities will focus on three key areas:

- Ensuring every child has a school place, including that there are sufficient schools, special schools and alternative provision places to meet demand;
- Ensuring the needs of vulnerable pupils are met, including: identifying, assessing and making provision for children with special educational needs (SEN); promoting school attendance and tackling absence; ensuring alternative provision is available for excluded pupils or those who cannot attend mainstream schools; safeguarding children and working with schools to ensure they understand and discharge their safeguarding duties; and supporting vulnerable children;
- Acting as champions for all parents and families including: listening to and promoting the needs of parents, children and the local community; supporting parents in navigating the admissions system; supporting parents to understand and navigate local SEN arrangements; and championing high standards locally for all pupils, working with the Regional Schools Commissioner to tackle underperformance.

4.4 In answer to questions from the Select Committee, the Director of Education reported that although the number of statutory duties of the Local Authority would reduce, the Local Authority would retain responsibility for safeguarding amongst other things. In relation to this duty all schools would continue to have a duty to co-operate with the Local Authority. The Children's Safeguarding Board would retain its responsibilities and the Local Authority would be looking at how the system could be strengthened. Recently a Primary Head teacher and a Secondary Head teacher had joined the Board and it was considered that this would help to develop and enhance relationships moving into the future.

4.5 The Committee considered the reduction in statutory duties and the end of operational control of schools. It was noted that in many authorities' children and family services were part of the same department and political responsibility because of the common and intertwined issues. In addition most housing provision centred round support for families and young people leaving care. It was further noted that, in Bromley, Care Services accounted for the majority of the budget and that a realignment of responsibilities would not only provide a better 'natural fit' but a more balanced portfolio in terms of duties and financial oversight.

RECOMMENDATION 1

That the Leader of the Council considers realigning Portfolio Responsibilities to create a Children and Family Portfolio including Youth Offending and Housing.

5. Strategic Partners

The main strategic partners in delivering quality education to children and young people in Bromley include:

5.1 Schools and the Further Education College:

Officers continue to work closely with all schools and Bromley College of Further and Higher Education to develop the infrastructure and the quality of education in the Borough, with safeguarding underpinning everything we do. This requires close working especially in the areas of governance, schools expansion and basic need, admissions, school performance and attendance. The work being undertaken with Bromley College and their Educational Trust is an important partnership in developing improved provision for vulnerable children and improving work related educational opportunities.

5.2 The Department for Education, the Education Funding Agency and the Regional Schools Commissioner

It is acknowledged by all parties that the new education landscape requires strong partnership working between the Council and national government and its agencies. The Regional Schools Commissioner's role in decisions around new academies and school improvement is to be strengthened and all recognise that working closely in partnership is the best way to ensure that the right decisions, influenced by the local knowledge of the Council, are made for children and young people in Bromley.

5.3 Parents and Communities

The Council needs to build on its relationships with parents and communities to ensure it can act as a champion for parents effectively. We need to continue to encourage engagement of parents in local communities, having a voice in schools planning and decision making in order to support children's attainment and to help them achieve their potential. In particular, we need to focus on supporting parents of vulnerable children and children with SEN.

5.4 Other Partners

Partners in Social Care, Health and the Police will continue to play an important role in the safeguarding of young people, their attainment and wellbeing.

6. Academies and school performance

6.1 In terms of developing close co-operation with both academies and the Regional Schools Commissioner, the Director of Education emphasised the importance of working in partnership and developing robust relationships in order to share information. To this end, good communication will be key. In response to the Chairman, who asked what powers a local authority would have if a partner failed to co-operate with the authority in its statutory duties, the Director explained that it was not anticipated that the resolution of any issues that may arise would be driven through statute.

6.2 The Council's role in overseeing the performance of all schools and academies will continue to be valued by partners. An important addition to the team will be a dedicated data analyst who can monitor the performance of academies as well as, temporarily, any remaining maintained schools. Where an academy is seen not to be

performing to expectations we will continue to provide challenge and work with DfE colleagues to broker solutions.

RECOMMENDATION 2

That the Council make representations to the Department for Education to strengthen the ‘*duty to co-operate*’ of other parts of the education sector so as to enable the Local Authority fulfil its statutory responsibilities.

6.3 The Portfolio Holder emphasised that this was very much an evolving process and that as a leader in the field of academy conversions the London Borough of Bromley would need to be pro-active in feeding back to the Department for Education any policy issues as they arise. The Chairman commented that although the Government had backed away from compulsory academisation of all schools by 2021 in many authorities a ‘tipping point’ would be reached whereby it was uneconomic and unsustainable to provide services to a small number of maintained schools left with an authority. The Portfolio Holder agreed that a ‘critical mass’ would be reached.

RECOMMENDATION 3

That the Council make representations to the Department for Education that when an authority reaches a position whereby a substantial majority of schools are academies that a ‘critical mass’ has been reached and that the remaining schools be required to convert.

6.4 Mrs Parrett confirmed that if the Bromley Futures Academy was successful in navigating the Free School application process it would provide places for 50 pupils and would open in 2018.

6.4 The Committee noted that the Bromley Beacon Academy was expected to take girls with social, emotional, and mental health needs. Mrs Parrett confirmed that these pupils were currently schooled within the pupil referral until system and would transfer out of their existing provision.

7. Provision of Catholic Secondary School

7.1 In response from a question from the Catholic Church representative on the Select Committee highlighting that Bromley was the only London Borough without a Catholic Secondary School, the Director of Education recognised the desire of the Catholic Community to have a Catholic Secondary School in the Borough. Any new school would now have to be approved through the new Free School process as it was no longer in the gift of the Local Authority. The Chairman noted that it has been indicated that the Government may change the current restriction on the number of pupils which the Church could require to be practising adherents. This could mean that the Catholic Bishops may review their position on new schools. It was noted that in the successful appeal against planning permission for new homes at the former All Saints School site a commitment was made by the Archdioceses that the proceeds of the sale of the land would be used for Bromley pupils.

RECOMMENDATION 4

That the Portfolio Holder for Education establishes the Government's intentions regarding admission criteria for church schools in order to consider resuming discussions with the Catholic Archdiocese for Southwark with a view to the provision of a secondary school.

8. Sufficiently of School Places

8.1 In September 2015 the Council consulted on proposed changes to the open space designations affecting a number of schools. It sought to re designate school sites from Green Belt and Metropolitan Open Land (MOL) to Urban Open Space. Additionally a number of new sites were proposed as specific education allocations. The Council will be consulting on its Local Plan Proposed Submission Draft this summer.

8.2 In relation to ensuring that there was planning for a sufficient number of school places, the Director of Education reported that Officers were working closely with the Education Funding Agency (EFA). The Education White Paper had made it clear that if Local Authorities failed to established enough school places the Government would intervene however no information had been provided concerning what form any intervention would take.

8.3 The Portfolio Holder stressed that choice of school place and need for school places were two very different entities and in order to give parents any choice the Local Authority would need to deliver extra school places. This was a function of the planning system and something that would need to be resolved during the coming year.

8.4 The Committee noted that the provision of sufficient schools places was a monumental problem for Bromley as a local authority. It was clear that between 30 and 35 FE would be required by 2023 and it took time to build a school. If action was not taken soon there would be a serious problem as the Local Authority would be unable to fulfil its statutory duties and could be facing Government intervention.

RECOMMENDATION 5

That the Council notes the urgent need to plan and provide for between 30 and 35 additional forms of entry for secondary education by 2021 and recommends that the Development Control Committee, through the Local Plan, ensures that there are sufficient sites to ensure this can be achieved.

9. Community Infrastructure Levy (CIL)

9.1 The Council is undertaking viability work into the potential for a Bromley CIL. The Council will consider the findings and, assuming the decision is to progress a local CIL, the Council will consult on a Preliminary Draft Charging Schedule (PDCS). This will show the proposed CIL charges on different types of development, supported by an Infrastructure Delivery Plan identifying the infrastructure required to support the

delivery of the Local Plan to 2031. The range of infrastructure to be funded from the CIL will also be identified, and will be published later as its draft Regulation 123 list of infrastructure on which CIL can be legitimately spent. The Council will have to decide if education is included on this list.

9.2 In terms of decisions surrounding whether the needs of schools could be partially met through funding from the CIL in the way in which Section 106 monies have previously been earmarked, the Portfolio Holder confirmed that no decisions had been reached however, the Education Department was making representations along the lines that the money should be available for this purpose.

RECOMMENDATION 6

That the Development Control Committee be requested to consider how funding from the Council's Community Infrastructure Levy could be used for education purposes.

10. Special Educational Needs and Disability (SEND)

10.1 The Special Educational Needs Service continues to deliver the reforms set out in the Children and Families Act 2014. Following on from Bromley Pathfinder work a four year transition plan is in place to transfer Statements of Special Educational Needs into Education Health and Care Plans. A range of activities have ensured that SEND processes are statutory compliant and the Bromley Local Offer has been published. This provides information on universal, targeted and specialist activities available for young people with SEN/D and their parents.

10.2 A SEND Strategy "Working Together to Improve Outcomes" 2015-2020 is in place with 16 key priorities and a robust action plan maps and monitors progress of the deliverable objectives in the strategy.

10.3 The Department for Education has commissioned Ofsted and the Quality Care Commission (CQC) to inspect local areas on their effectiveness in fulfilling their new duties in respect of the Children and Families Act 2014 and Bromley was chosen to be part of a 5 day pilot Local Area Ofsted which took place in October 2015.

10.4 The Inspectors reviewed all the services involved in ensuring that children with SEN/D were identified appropriately and holistically. This included Education, Care and Health services. Whilst there was no formal published feedback from Ofsted on the outcomes from the pilot inspection, the overall report back was very positive and outlined the identification and meeting of needs in appropriate timeframes as a area of strength. There was also very positive feedback from parents and young people on their involvement in the process.

10.5 The Preparing for Adulthood Service was also highly commended for their work progressing positive outcomes in preparing young people for their transition to adulthood.

Other positive outcomes identified through the pilot inspection include:

- ✓ Reduced tribunal appeals due to robust mediation by SEN staff;
- ✓ Bromley as part of a 10 borough consortium, reviewing quality and costs of independent provisions and working towards joint commissioning;

- ✓ Effective implementation of non- statutory support for SEN via Pupil Resource Agreements

10.6 Bromley is a member of the ten borough joint commissioning project. The aim of the project is to ensure that the commissioning of independent school placements is done efficiently and effectively using the joint commissioning power of all the south London Boroughs. Placements need to be of good quality and cost effective; delivering very specific outcomes for those Bromley young people with very complex and enduring special educational needs. The project has been successful in attracting grant funds to deliver these outcomes at minimum cost to the local authorities. This will result in savings over time.

10.7 Priority work streams for the future include:

- Developing the future model for delivering SEN services 0-25
- Realigning current services and resources to deliver high quality cost effective statutory services across the full age range;
- Implementing specialist place planning to ensure quality provision in borough;
- Working with the ten borough consortium to ensure that when there is no provision in-borough to meet highly complex needs that it is commissioned at a fair price.

Future provision requirements:

- Reducing out of borough provision;
- Re-shaping specialist provision to meet projected future demands;
- Revisiting the model for sensory provision which continues to be directly line managed by the Local Authority.

10.8 At the meeting, the Director for Education highlighted that Bromley was a Pathfinder Local Authority in this area. As a result of this status a great deal of work has already taken place with parents being fully involved. There now has to be an emphasis that Education, Care and Health Plans were for those with complex needs who fell within the criteria that the title suggested and this would require a shift in culture. There was a strong SENCO Forum within the Borough and this was very helpful in enabling learning and the sharing of policy and strategy. The priority for the Local Authority has to be early intervention, working with SENCOs to ensure that they are able to identify young people that require additional help and support.

10.9 The Director of Education reported that within the Borough there are approximately 8,000 children with an identified need and of these approximately 1,600 had a statement or health plan. There are 48 children in specialist out-of-borough provision. There is a clear focus on keeping as many as possible in borough and this would require ensuring that there was a fit-for-purpose offer for some of the more complex young people residing within the Borough.

10.10 In relation to SEN Transport, the Director of Education reported that Officers were continually looking at ways to manage the SEN Transport budget efficiently. The Portfolio Holder highlighted the importance of ensuring that as many children with EHC plans/statements are educated within the Borough, thus keeping children near their homes and transport costs at a minimum.

10.11 The Director of Education confirmed that the Education White Paper sought to strengthen the roles of Corporate Parents and the Virtual Head teacher in order to drive improvements in the educational achievement of children in care.

RECOMMENDATION 7

That the Portfolio Holder for Education considers how the role of the Council as a corporate parent might be strengthened so as to improve the education outcomes for Children Looked After.

10.12 The Committee noted that Bromley College provided some excellent provision for SEN students and queried whether this could be expanded in co-operation with the Council in view of the Council's duties in this area. In response, Mrs Parrett confirmed that there are priority places for Bromley children however, as the reputation of the College grew this was becoming increasingly difficult. However. With the proposed merger of both Greenwich College and Bexley College with Bromley College new opportunities may arise.

RECOMMENDATION 8

That the Education Department considers whether there is scope for co-operation in the field of SEN provision with Bromley College of Further and Higher Education.

11. Education Department Staffing and Structure

11.1 The Director for Education now reports directly to the Chief Executive and has a team of five Heads of Service, overseeing the work of the Education Department in the following areas:

- School Place Planning and Admissions
- Special Educational Needs and Disability;
- School Standards and Early Years;
- Access and Inclusion (vacant);
- Adult Education.

11.2 The Director reported that this is a much reduced central team compared to previous years to reflect the Council's diminished role in the oversight of academies. However, she said, it is clear that we need to have more robust processes in place to support the management of school exclusions as well as the strategic oversight of co-ordinated in-year admissions and will be seeking to fill the vacant post of Access & Inclusion.

RECOMMENDATION 9

That the Portfolio Holder and the Director of Education prepare a staffing structure for consideration by the Education Select Committee at its September 2016 meeting.

12. Term time Holidays

12.1 In relation to attendance, the Director of Education reported that the recent High Court judgement in the Isle of White case regarding term time holidays had not yet had any impact on requests for such holidays in Bromley's maintained schools. The Portfolio Holder stressed that the view of the Local Authority was that the best place for children was in school.

13. Sold Services

13.1 In relation to sold services to schools, the Director of Education highlighted that the Local Authority sold very few services to schools. There is a small free school meals checking service, elements of the education welfare service is traded and data packs are sold to a number of schools.

13.2 Mrs Brinkley explained that the Local Authority had a wealth of experience developed over many years. This experience could reveal a number of opportunities for sold services to schools as it is clear that, as a result of the academisation agenda, there are now a number of emerging business leaders in schools who could benefit from this expertise with schools not wanting to lose the expertise of local authorities which has been developed over a long period.

RECOMMENDATION 10

That the Portfolio Holder report back to the Education Select Committee on which services currently sold by the Education Department would be economically viable and sustainable once the future role and structure of the Department is decided.

14. Providing Skills for the Future

14.1 Mrs Parrett provided a comprehensive written report on the range of services which the newly enlarged Bromley College of Further and Higher Education would provide as one of the constituent parts of the proposed new South East London Group of Colleges which would shortly include Greenwich Community College and Bexley College of FE.

14.2 The College is providing the following to students under the age of 19

- ✓ Substantial vocational FE provision for 16-19 year old learners up to Level 3;
- ✓ A new Career College for Hospitality, Food and Enterprise based at the Orpington Campus – one of only three in England;
- ✓ The 'Nido Volans Centre' for students with complex learning disabilities;
- ✓ Apprenticeship provision through a South London Apprenticeship Company;
- ✓ Through the sponsored Bromley Educational Trust (BET) a Multi Academy Trust provision at Midfield Campus (Primary) and Hayes

Campus (Secondary) of the former LA services for pupils at risk of being or who have been permanently excluded;

- ✓ Also under the BET is the Bromley Beacon Academy, a special secondary school for 40 boys. This would be expanded in September 2016 to include provision for Key Stage 5 for boys and Key Stage 2-5 for girls;
- ✓ Plans are in place for an 11-18 Technical Academy/UTC in Health and Wellbeing Sciences at Westmoreland Road.

14.3 For older students Higher Education courses are offered in partnership with Canterbury Christ Church College.

14.4 In response to questions from the Committee, Mrs Parrett reported that labour market information was used to identify the potential skills that employers would require in the future and thus determine the College's curriculum. Bromley College was continually reviewing its ability to deliver the necessary skills for the evolving labour market. In this respect the College's offer was very much market led. Provision was constantly being reviewed and developed to match the market for jobs and the future requirements of employers.

14.5 The Committee was informed that 4,000 students attending the College are adults over 25, and are therefore likely to be individuals who are 'up-skilling' or retraining.

14.6 Mrs Parrett explained to the Committee that over the next three years there would be 300,000 new jobs in the construction industry. As a result of this there was a need to ensure that skills were readily available locally and that potential workers had a good understanding of emerging technologies in the industry with these types of skills being provided by the pan-London Construction Career College.

RECOMMENDATION 11

That the Council explores what further co-operation could be undertaken with the Bromley College of Further and Higher Education in helping people into work and acquiring skills for employment.

14.7 In relation to the proposed Academy at Biggin Hill for Aeronautical, Engineering and Motor Vehicles, Mrs Parrett explained that the Local Authority was now master planning the area. One residual problem was whether the land would be transferred and at what price however, the College was receiving excellent support from the Local Authority. One area of uncertainty was whether the financial commitment that had been made by the Greater London Authority would remain with the change of London Mayor.

RECOMMENDATION 12

That the Master Plan for Biggin Hill be expedited to enable an Academy for Aeronautical, Engineering and Motor Vehicles to be established at the Airport by Bromley College of Further and Higher Education.

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White Paper: Educational Excellence Everywhere (March 2016)

Implications for Bromley

The White Paper states:

Bromley local authority has already made the commitment that all of its schools should become academies. It has been working closely with the DfE and its maintained schools to encourage them to apply for academy status.

As at March 2016, 79% of Bromley's schools are academies. DfE officials are in regular contact with Bromley local authority to discuss the progress of schools applying to become academies. This work includes defining the most appropriate MATs for schools to join, and meeting small groups of governing boards and head teachers to discuss governance and explain the process of academy conversion.

No Bromley maintained school is currently in an Ofsted category of concern. DfE officials continue to work closely with Bromley to support any vulnerable schools to join strong MATs, helping to drive up standards for children across the Bromley area. (p 69)

White paper reference	Anticipated impact
<p>Local authorities should act as advocates for their electorate, challenging school providers to deliver high educational standards and better outcomes for children; the local authority's education duties will focus on three areas:</p>	<ul style="list-style-type: none"> • Governance: there is no expectation that the LA retains a relationship with governing boards and MATs. The DfE will no longer require academies to reserve places for parents on governing boards; appointments will be made according to skills. <i>It is therefore recommended that the governor services function ceases to operate from April 2017 when it is anticipated that all Bromley schools will have converted.</i> • School improvement: the LA will no longer carry out this

	<p>function as there will be a shift to a school led system. Remaining duties are oversight of testing arrangements (this could be commissioned from another organisation) and possibly SACRE (tbc). <i>The schools standard team will become redundant and we are planning to effect this by December 2016.</i></p> <ul style="list-style-type: none"> • There is reference to the role of lead member and director of children’s services changing; members will need to consider the current arrangement of separating care services from education.
<p>a. Ensuring every child has a school place including that there are sufficient school, special school and alternative provision places to meet demand. Local authorities will retain responsibility for this in a fully academised system. The government will support them by continuing to provide substantial funding to allow them to deliver sufficient places, as well as by creating places through the free schools programme. As in the past, we expect that they will use their strong relationships with local schools to deliver the places needed in a local area, including planning ahead where necessary to support applications through the central free schools programme or to seek proposals for presumption free schools. Where local authorities are failing in this duty, the government will not hesitate to intervene. Local authorities will also work with schools and parents in developing local school transport policies, giving schools the opportunity to provide school transport services where that makes sense locally; and take a lead in crisis management and</p>	<ul style="list-style-type: none"> • The paper indicates that planning restrictions surrounding school building and expansion will be relaxed; currently a consultation is underway on increasing the square meterage that a school can build on without permission from 100 to 250 sq mtrs. • When a maintained school converts the land will automatically go to The Secretary of State who will issue the lease, rather than the current arrangement where The Council gives 125 year lease and retains ownership of the land. • It is possible that the current limitation of a maximum of 50% faith places for faith schools will be relaxed. This is of particular interest to Bromley as it would allow for a Catholic secondary academy to open using the free school route. • Central crisis management and emergency planning services need to be retained and communication routes and possibly support for individual schools strengthened.

<p>emergency planning</p>	<ul style="list-style-type: none"> • Early years duties remain and there is expansion linked to the new 30 hours free education programme to be implemented from September 2017 : <i>it is planned that the Early Years Funding Team move to Liberata</i>. In addition there is a small team that leads on early years quality (raising standards across the nearly 800 providers but focusing on those less than good and not yet inspected) and <i>this function could be commissioned from another organisation</i>. The sufficiency duty could be aligned with the work of the school place planning and admissions service.
<p>b. Ensuring the needs of vulnerable pupils are met including identifying, assessing and making provision for children with special educational needs and disability and looked after children; promoting school attendance and tackling persistent absence; ensuring that alternative provision is available for head teachers to commission for children and young people excluded from school or otherwise unable to attend a mainstream school, leading on safeguarding responsibilities for all children, including those in unregulated settings, educated at home and children missing education, as well as children at risk of radicalisation; working with schools to ensure that they understand and discharge their safeguarding duties; and supporting vulnerable children, for example, acting as the ‘corporate parent’ for looked after children, using the statutory Virtual School Head role to work with schools and other agencies on promoting their educational achievement and progress, and deciding how to spend the</p>	<ul style="list-style-type: none"> • This is a significant retained area of responsibility with the local authority seen as the champion for ensuring all vulnerable children’s educational and well-being outcomes are met. • AP academies: the significant change is that mainstream schools will commission places from alternative providers rather than the current situation where the LA is commissioner (high needs block). The LA will still be responsible for ensuring that we have a sufficiency of AP places. • Virtual head teacher role: much emphasis is put on the importance of this position in ensuring that pupil premium plus expenditure is outcomes driven. It is also likely that the educational needs of adopted children will become the responsibility of the virtual head teacher through a legislative change. • Education welfare officers: it appears that there is no anticipated change to current statutory function sitting

<p>Pupil Premium Plus</p>	<p>with the LA. A decision will need to be made as to whether Bromley wants to continue to offer a traded element to the service. Currently this is deemed successful in that schools that buy in the service have fewer court cases but this element is subsidised by Bromley.</p> <ul style="list-style-type: none"> • Safeguarding: this major responsibility continues to sit with the LA but, within a changing external landscape, how this duty is undertaken will require a review and possibly an increase in resources. Currently early years safeguarding training is managed by the early years team and a slicker approach might be to bring it together under the LADO. • SEN: Changes to high needs funding will demand radical changes to how we manage this funding stream. We are already reviewing the function and purpose of The Phoenix Centre and also need to realign provision of deaf services where The Council is currently a direct provider of deaf teaching through The Griffins Centre and Darrick Wood School.
<p>c. Acting as champions for all parents and families including listening to and promoting the needs of parents, children and the local community – working alongside elected mayors; supporting parents in navigating the system through a continuing role in admissions; supporting children, young people and parents to navigate local SEND arrangements (such as providing information, advice and support) and engaging them in designing and co-producing local SEND policies, service commissioning</p>	<ul style="list-style-type: none"> • This gives a clear remit for a lead member while also implying that The Council works in partnership with the RSC and local MATs, retaining shared strategic oversight of school provision in Bromley. This duty also encompasses the provision of practical current information and service-user engagement. This places the LA as an advocate and influencer rather than having direct change control, which will require sensitive manoeuvring to be effectively delivered. The current

and delivery; and championing high standards locally for all pupils, for example, by encouraging high performing providers to establish new school places and where necessary calling for action from the Regional Schools Commissioner to tackle underperformance

Information, advice and support service, that sits with Rachel Dunley and operates out of the children's centres, already provides direct support to parents and families and it is anticipated that any increase in direct family work would be through this team.

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Review of Statutory Duties

Theme	Legislation	Title of duty	Function - What is it intended to achieved?	Service Area	Ongoing Duty Post Academisation	Comment
Children and Young People	Children and Young Persons Act 1963 Section 37. Secondary - The Children (Performances) Regulations 1968.	Duty on local authority to consider licence applications for children to take part in performance or take part in paid sports or paid modelling work.	Local authorities have a duty to safeguard children who take part in performances by ensuring adequate protections are in place, for example, regulating the hours of performance and breaks, the provision of a chaperone to protect the child's welfare and the provision of education when children are missing school. This legislation is currently being reviewed to see how it can be updated, streamlined and made more proportionate to risk.	Education Welfare	YES	
Education	Education Act (EA) 1996 Section 13A. Section 13A was inserted by Section 1 of Education and Inspections Act (EIA) 2006 - duty to promote high standards and the fulfilment of potential. Amended by Para 3, Schedule 2 of Apprenticeship, Skills, Children and Learning Act (ASCL) 2009.	No formal title and in practice is linked to Section 13 (general responsibility for education) and 14 (securing sufficient schools) duties.	For local authorities to be responsible for securing that sufficient education is available to meet the needs of the population in their area.	Strategic Place Planning	YES	
Education	Education Act (EA) 1996 Section 14 . General duty on local authorities to secure sufficient schools in their area. Section 14 (3A) added by Section 2 of Education and Inspections Act (EIA) 2006 – to secure diversity of provision of schools and increasing opportunities for parental choice. Secondary legislation - The Information as to Provision of Education (England) Regulations 2008	Referred to as place planning duty but is in fact general duty to secure sufficient schools in their area. Local authorities to secure sufficient primary and secondary schools. To complete the annual Surplus Places Survey (renamed for 2010 as the School Capacity Collection). This data has been gathered in some form since 1994.	For local authorities to be responsible for securing sufficient primary and secondary schools in their area. The survey provides the Department for Education and Partnership for Schools with data on the number of surplus school places, and the areas of projected shortfall, across England, and the actions local authorities are taking to address this.	Strategic Place Planning	YES	
Education	Education Act (EA) 1996 Section 14A, added by Section 3 of Education and Inspections Act (EIA) 2006.	Local authorities to consider and respond appropriately to parental representations about school provision in relation to local authorities' functions under Section 14 of the Education Act 1996.	For local authorities reasonably to consider parental representations regarding the provision of schools. To respond accordingly, including outlining any proposed action, or where it is considered action is not needed, to explain the reasons for this.	Strategic Place Planning	YES	
Education	Education Act 1996 Section 457	Charges and remissions policies required by all governing bodies.	To provide clarity about what can and cannot be charged for.	Finance	NO	
Education	Education Act 1996 Section 458	Charges for board and lodging at boarding schools.	Intended to insure that maintained boarding schools are funded for the cost of board and lodging by parental fees but the local authority must ensure the level does not exceed cost of provision; and that where such education is necessary (as opposed to desirable) for a pupil the parents do not bear the cost of it but rather the pupil's home local authority does, by remitting the fees or paying to the maintaining local authority.	Finance	NO	
Education	Education Act 1996 Section 409 & Part 10, Chapter 2 of the Apprenticeships, Skills, Children & Learning Act (ASCL) 2009, amended by Education Act 2011 section 45.	Complaints about the curriculum in maintained schools.	S409 requires local authorities to consider complaints about the curriculum, religious education and collective worship referred to them after the complaint has been considered by school governing bodies. This duty was removed in some areas following the partial commencement of the complaints provision in ASCLA 2009. This duty is therefore currently in force in all local authorities except the 14 areas where the Local Government Ombudsman complaints service operates. In those areas such complaints can currently be considered by the LGO. The duty on the remaining English local authorities to investigate complaints will be removed when Section 45 of the Education Act 2011, which restricts Section 409 of the EA96 to Wales, is commenced. This is expected to happen in August 2012.		NO	
Education	Education Act 1996 Section 19 (3A) and (3B). Secondary: Education (Provision of Full-Time Education for Excluded Pupils) England Regs 2007(SI 2007/1870). Education Act 1996 Sections 3A and 19 and schedule 1, amended by section 3 of the Children Schools and Families Act 2010. Secondary - enactment regulations apply other areas of education law to Pupil Referral Unit (PRU).	Statutory duty for the local authority to provide full time education from the sixth day of exclusion for permanently excluded pupils and for pupils who are excluded from a pupil referral unit for a fixed period of more than 5 days. To make arrangements for the provision of suitable education at school or otherwise for each child of compulsory school age who, for reasons of illness, exclusion or otherwise, would not receive it unless such arrangements were made. Local authorities may establish pupil referral units to discharge their duty but do not have a duty to do so.	This ensures that children who cannot (for whatever reason) be in mainstream education, continue to receive full time education unless it is not in the child's best interests. These measures were introduced to make exclusions a more effective sanction and to reduce the disruption to a child's education caused by exclusion.	Behaviour Support	YES	This statutory duty seems questionable in light of the Education White Paper proposal that Alternative Provision funding from the High Needs Block (from which provision for permanently excluded pupil/pupils with health needs are funded) transfers to schools.
Education	Secondary - The School Finance (England) Regulations 2012	Determination of schools' budget shares in the case of excluded pupils and determination of the amount to be paid by one local authority to another when a pupil permanently excluded from a school maintained by one local authority is, in the same financial year, admitted by a school maintained by another authority. Redetermination of a school's budget share where a permanently excluded pupil is subsequently reinstated in a maintained school.	This is intended to ensure that funding follows the pupil in the case of an exclusion - it is transferred to the admitting school or the local authority's central schools budget (if the pupil is not admitted within a set timescale to another school) to ensure that there is at least some funding available to contribute to the costs incurred by the new provider. The Regulations also deal with excluded pupils who are subsequently educated in another local authority. This is intended to ensure that where an excluded pupil is reinstated in the school from where they had been permanently excluded, an appropriate level of funding is reallocated to the school.	Finance	YES	This statutory duty seems questionable in light of the Education White Paper proposal that Alternative Provision funding from the High Needs Block (from which provision for permanently excluded pupil/pupils with health needs are funded) transfers to school

Review of Statutory Duties

Theme	Legislation	Title of duty	Function - What is it intended to achieved?	Service Area	Ongoing Duty Post Academisation	Comment
Education	Education Act 1996, schedule 1, amended by Education Act 2011 section 45. Secondary - Education (Pupil Referral Units) (Management Committees etc.) England Regulations 2007. Education (Pupil Exclusions and Appeals) (Pupil Referral Units) England Regulations 2008.	Duties in relation to pupil referral units : Determine and review a curriculum policy; that the curriculum should be balanced and broadly based; make information available to parents in relation to the unit; establish management committees and appoint first members for all PRUs. Local authorities must delegate some of their functions in relation to pupil referral units to the management committee but must not delegate functions in relation to staffing and finance of the unit, health and safety issues, control of premises and a reserve power in relation to prevention of a breakdown of discipline.	The intention of requiring a local authority to establish management committees for every pupil referral unit was to improve their management of PRUs, by giving them similar responsibilities to governing bodies of mainstream schools.		NO	
Education	Education Act 1996 Section 447	Duty for local authorities to consider an Education Supervision Order instead or alongside a prosecution under section 36 of the Children Act 1989 before prosecuting a parent under section 444 of the Education Act 1996.	An Education Supervision Order can help where parents find it difficult to exercise a proper influence over their child, and where the child has developed a pattern of irregular attendance. It gives the backing of the court to the supervising officer and can help bring home to parents the need to fulfil their responsibilities for their child's education.	Education Welfare	YES	
Education	Education Act 1996 Section 436A.	Duty on all local authorities to make arrangements to enable them to establish (so far as it is possible to do) the identities of children residing in their area who are not receiving suitable education by attendance at school or otherwise	The identification of children missing education.	Education Welfare	YES	
Education	Education Act 1996 Section 437.	If it appears to the local authority that a child of compulsory school age is not receiving a suitable education, either by regular attendance at school or otherwise, they must begin procedures for issuing a School Attendance Order.	Ensure that all children get a suitable education	Education Welfare	YES	
Estates	Education Act 1996 Section 543. Secondary - The Education (School Premises) Regulations 1999 and the Education (School Premises) (England) Regulations 2012.	Sets minimum standards for school premises.	Sets minimum standards for school premises.	Strategic Place Planning	NO	
Special Education Needs	Education Act 1996 Part IV, Chapter 1 (sections 312-332B) and Schedules 26 and 27 . Secondary - The Education (Special Educational Needs) (England) (Consolidation) Regulations 2001 (SI 2001/3455).	Children with Special Educational Needs	Identifying and assessing Special Educational Needs, making and reviewing Special Educational Needs statements and a transition plan from age 14. Keeping arrangements for Special Educational Needs provision under review. Making arrangements for an advice and information service and a dispute resolution service for parents of children with Special Educational Needs. More recent legislation has made minor amendments to the Education Act 1996. (Subject to proposals in the SEN Green Paper.)	Special Educational Needs	YES	
Special Education Needs	Education Act 1996 Section 14 .	Functions in respect of provision in primary and secondary schools.	In carrying out their duty to provide sufficient schools for the area local authorities must have particular regard for the need to secure Special Educational Needs provision for pupils with Special Educational Needs. (Subject to proposals in the SEN Green Paper)	Strategic Place Planning	YES	
School Meals	Education Act 1996 Section 512(3) as amended by Education Act 2002.	To provide school lunches (upon request) to those eligible for free lunches and to those pupils for whom it would not be unreasonable to provide lunches.	Ensures that local authorities where the school meal budget has not been delegated to schools, supply school lunches where appropriate.		NO	
School Transport	Education Act 1996 Section 508B. Inserted by section 77 of the Education and Inspections Act 2006.	Requirement for the Local Authority to make provision for suitable home to school travel arrangements for eligible children of compulsory school age (5-16) to facilitate attendance at a relevant educational establishment. Travel arrangements are provided free of charge.	Re-affirms eligibility criteria and extends eligibility to free home to school transport for low income families (see below). Schedule 35B sets out the meaning.	Admissions	YES	
School Transport	Education Act 1996 Section 508A . Secondary - Statutory Instrument 2008 No 3093 The School Information (England) Regulations 2008.	Duty on Local Authorities to Promote Sustainable Modes of Travel to assess general school travel needs. The Local Authority must publish each academic year a document containing their strategy to promote the use of sustainable modes of travel to meet the school travel needs of their area and must also publish a summary.	The promotion of sustainable modes of travel (walking, cycling, bus use etc) that may improve the well being of those who use them and the environment. This is closely linked with local transport planning work required b the Department of Transport.	? Establish who currently does this.	YES	LA duties on transport seem unclear and questionable as to what the expected role of the LA is in academy landscape (where schools are their own admissions authorities).
School Transport	Education Act 1996 Section 509AD as inserted by section 84 of the Education and Inspections Act 2006.	Duty to have regard to religion and belief in exercise of travel functions.	Re-affirms that local authorities are required to have regard to any wish of a parents to have their children provided with education at an establishment on the grounds of the parent's religion or belief, in exercising any of their travel functions. A root and branch review of home to school transport is under consideration.	? Establish who currently does this.	YES	LA duties on transport seem unclear and questionable as to what the expected role of the LA is in academy landscape (where schools are their own admissions authorities).
School Transport	Education Act 1996 Section 509AB.	Further provision about transport policy statements. Requires local authorities to specify to what extent the arrangements they include in their annual transport policy statement facilitate the attendance of disabled persons and persons with learning difficulties.	Requires local authorities to specify to what extent the arrangements they include in their annual transport policy statement facilitate the attendance of disabled persons and persons with learning difficulties. Intended to ensure that local authorities enable these learners to attend educational establishments.	? Establish who currently does this.	YES	LA duties on transport seem unclear and questionable as to what the expected role of the LA is in academy landscape (where schools are their own admissions authorities).
School Transport	Education Act 1996 Section 509AA. Amended with additional criteria for local authority post 16 transport policy statements in Education & Skills Act 2002. Education and Inspections Act 2006, Education and Skills Act 2008 and Apprenticeships, Skills, Children and Learning Act 2009	Duty on local authorities to publish annual Post 16 Transport Policy Statement. Statement must set out the arrangements for the provision of transport, and for financial assistance towards transports costs, it considers necessary to facilitate attendance of students of 6th form age.	Secures access to learning for young people post 16 - transport having been identified as a significant barrier to young people in accessing post 16 learning and training - and ensures transparency regarding local arrangements and complaints processes for these learners	? Establish who currently does this.	YES	LA duties on transport seem unclear and questionable as to what the expected role of the LA is in academy landscape (where schools are their own admissions authorities).

Review of Statutory Duties

Theme	Legislation	Title of duty	Function - What is it intended to achieved?	Service Area	Ongoing Duty Post Academisation	Comment
School Transport	Section 509AB Education Act 1996 as amended by the sections 54-57 of the Apprenticeships, Skills, Children and Learning Act 2009.	New additional requirements for Post 16 Transport Policy Statements for 2011/12 academic year and thereafter including: linking consideration of transport arrangements to commissioning duty (15ZA(1)); re-enacting Adult Transport Duty (section 509 of Education Act 1996); adding young people of sixth form age and their parents to the list of named stakeholders local authorities have to consult in drawing up their statements; and power for Local authorities to amend and republish their statement in year in response to complaints or direction from the Secretary of State.		? Establish who currently does this.	YES	LA duties on transport seem unclear and questionable as to what the expected role of the LA is in academy landscape (where schools are their own admissions authorities).
Education	Education Act 1996 Section 507B- introduced through section 6 of the Education and Inspections Act 2006.	The duty to secure access to positive activities.	To ensure so far as reasonably practicable young people have access to sufficient educational leisure-time activities which are for the improvement of their well-being and personal and social development, and sufficient facilities for such activities; that activities are publicised; and that young people are placed at the heart of decision making regarding the positive activity provision.	Youth Services	YES	Questionable in light of reductions to LA grants; also 'reasonably practicable' and 'sufficient' are open to interpretation.
Class sizes	School Standards and Framework Act 1998 Sections 1 and 13B(7). Secondary legislation - Infant Class Size Regulations 2012	Duty placed upon local authorities and other relevant bodies to restrict class sizes for pupils aged 4-7 to thirty pupils per class.	Limit Infant classes to 30 + permitted exceptions and data (via annual schools census) on compliance. New exceptions permitted by the 2012 regulations are children of service personnel and children of multiple births (including twins).	Strategic Place Planning	NO	
School Admissions	School Standards and Framework Act (SSFA) 1998 Section 84 as amended by section 40 EIA 2006 - the School Admissions Code and School Admissions Appeal Code - duty on governing bodies to act in accordance with the Codes. Secondary legislation - The School Admissions (Adjudicator Determinations Relating to Looked After Children and Certain Other Children) (England) Regulations 2007, School Admissions (Admission Arrangements) (England) 2008, School Admissions (Admissions Arrangements and Co-ordination of Admission Arrangements) (England) 2012, School Admissions Appeals Arrangements (England) 2012, School Admissions Code (Appointed Day) (England) Order 2010, School Admissions Code and School Admissions Appeals Code (Appointed Day) Order 2012, School Admissions (Co-ordination of Admissions Arrangements) (England) Regulations 2008, School Admissions (Infant Class Sizes) (England) Regulations 2012.	To comply with the legislative Code on Admissions in exercise and discharge of local authority functions in relation to admissions under the School Standards and Framework Act (SSFA) 1998. The SSFA and relevant regulations confers a number of duties which require the LA to carry out different functions at different times of the admissions cycle.	School Admissions Code and School Admissions Appeal Code 2012 came into force on 1 February 2012.	Admissions	YES	
School Admissions	School Standards and Framework Act 1998 Section 86(1A) as amended by section 42 of the Education and Inspections Act 2006.	To provide advice and assistance to parents when deciding on a school place and allow parents to express a preference.	Support parents when deciding on a school place and allow them to express a preference for at school.	Admissions	YES	
School Admissions	School Standards and Framework Act 1998 Section 88P amended by Education Act 2011 section 34.	Reports by local authority to adjudicator about matters relevant to schools admission as may be required by the School Admissions Code.	To provide a national picture of admissions issues.	Admissions	YES	
School Admissions	School Standards and Framework Act 1998 Section 92. Substituted by Education Act 2002.	For each school year, the local authority must publish the prescribed information about the admission arrangements for each of the maintained schools in their area, and if regulations so provide, such maintained schools outside their area.	To provide local parents with a collated set of admission arrangements for schools in their area.	Admissions	NO	
School Admissions	School Standards and Framework Act 1998. School Admission Appeals Code Section 94.	A local authority shall make arrangements for enabling the parent of a child to appeal against admissions decisions.	To impose a duty on governing bodies for schools that are their own admission authorities and local authorities to act in accordance with any relevant provisions of the Appeals Code.	Admissions	NO	

Review of Statutory Duties

Theme	Legislation	Title of duty	Function - What is it intended to achieved?	Service Area	Ongoing Duty Post Academisation	Comment
Religious Education	School Standards and Framework Act 1998 Section 69.	Duty to secure due provision of religious education. Subject to section 71, in relation to any community, foundation or voluntary school— (a)the local education authority and the governing body shall exercise their functions with a view to securing, and (b)the head teacher shall secure, that religious education is given in accordance with the provision for such education included in the school's basic curriculum by virtue of section 80(1)(a) or 101(1)(a) of the Education Act 2002]. (2)Schedule 19 has effect for determining the provision for religious education which is required by section 80(1)(a) or 101(1)(a)] of that Act to be included in the basic curriculum of schools within each of the following categories, namely— (a)community schools and foundation and voluntary schools which do not have a religious character, (b)foundation and voluntary controlled schools which have a religious character, and (c)voluntary aided schools which have a religious character. (3)For the purposes of this Part a foundation or voluntary school has a religious character if it is designated as a school having such a character by an order made by the Secretary of State. (4)An order under subsection (3) shall state, in relation to each school designated by the order, the religion or religious denomination in accordance with whose tenets religious education is, or may be, required to be provided at the school	Ensures that local authorities and schools provide Religious Education in accordance with the law.	School Improvement	NO	
Religious Education	School Standards and Framework Act 1998 Section 70.	All registered pupils attending a maintained school should take part in a daily act of collective worship which is wholly or mainly of a broadly Christian character. The local authority must exercise its functions with a view to securing this.	This duty is designed to ensure that all registered pupils attending a maintained school take part in a daily act of collective worship. The Government believes that the requirement for collective worship in schools encourages pupils to reflect on the concept of belief and the role it plays in the traditions and values of this country. Parents have the right to withdraw their children from collective worship and sixth-formers have the right to withdraw themselves.	School Improvement	NO	
Schools	School Standards and Framework Act 1998 Section 22, as amended by Education Act 2002 and Education and Inspections Act 2006, amended in relation to VA Schools by the Regulatory Reform (Voluntary Aided School Liability and Funding) (England) Order 2002.	Duty for local authorities to maintain schools in their areas.	Ensures the school estate is not subject to decay which could put the health and safety of children at risk.	Strategic Place Planning	NO	
Estates	School Standards and Framework Act 1998 Section 77 as amended by schedule 4 to the Education and Inspections Act 2006	Legislation governing disposal of land on schools sites.	Protection of School Playing Fields	Strategic Place Planning	NO	
School Budget	School Standards and Framework Act 1998 Sections 45A, 45AA, 46, 47, 47ZA, 47A and 48 and Schedule 14, as amended by Education Act 2011 sections 46 and 50. Secondary - School Finance (England) Regulations 2011, School Finance (England) Regulations 2012.	Local authorities must determine their school and pupil referral unit budgets and budget shares in accordance with the school finance regulations. They must establish a schools forum for their area in accordance with the schools forums regulations and maintain a scheme for financing their maintained schools in accordance with the school finance regulations.	The scheme includes provisions for approval of deficits, management of delegated budgets and banking arrangements. The finance regulations set out the services for which funding can be retained centrally within the schools budget, the factors which are allowed in a local funding formula, the arrangements for protection of school budgets through the Minimum Funding Guarantee and the matters which must be dealt with in schemes for financing schools. The Secretary of State may issue directions to local authority schemes, including directions to remove particular provisions in schemes.	Finance	YES	
Teachers and staff	Education Act 2002 Part 8 Sections 135A-135C and 141A-141E, inserted by Education Act 2011 sections 8 and 9.	Sets out the Secretary of States disciplinary powers with regard to teachers, and the Secretary of State's powers to create regulations requiring teachers to serve induction periods.	Relates to local authorities as employers of teachers in maintained schools.	Human Resources	NO	
Teachers and staff	Teaching and Higher Education Act 1998 Section 19 (teachers in Wales).	Duty to act as Appropriate Body in statutory induction process for maintained schools and non-maintained special schools, which includes: joint responsibility with the head teacher for the supervision and training of Newly Qualified Teachers (NQTs) during their induction; responsibility for deciding whether or not NQTs have passed induction; where they are the employer, responsibility for terminating the employment of NQTs who have failed their induction; responsibility for granting extensions or reductions to the induction period in certain circumstances; and where they are the employer, responsibility for terminating the employment of NQTs who have failed their induction.	Ensure that all teachers in the maintained sector (in Wales) have demonstrated that they meet the core professional standards for teaching. No qualified teacher can be employed in a maintained school or a non-maintained special school unless that person has satisfactorily completed an induction period in accordance with these regulations, subject to various exceptions.		NO	
School Meals	School Standards and Framework Act 1998 Section 114A. Secondary - Education (Nutritional Standards and Requirements for School Food) (England) Regulations 2007.	Food provided to pupils by local authorities, where the school meals budget has not been delegated to the school, must comply with the standards and requirements specified in the regulations.	Ensures meals provided by the local authority are nutritious		NO	

Review of Statutory Duties

Theme	Legislation	Title of duty	Function - What is it intended to achieved?	Service Area	Ongoing Duty Post Academisation	Comment
Special Education Needs	Learning and Skills Act 2000 Section 139A (as amended by Education and Skills Act 2008, Section 80)	Expands and transfers to the local authorities the duty currently on the of the Secretary of State to arrange for assessments of a person's educational and training needs in certain circumstances, and his power to arrange such assessments. The duty on local authorities is to arrange for an assessment of a person in respect of whom it maintains a statement of Special Educational Needs - who is either in his or her last year of compulsory schooling or is over compulsory school age but still at school - at some time during the person's last year of schooling.	To ensure young people with a learning difficulty or disability are able to secure appropriate learning provision in the Further Education Sector	Special Educational Needs	YES	
Estates	Care Standards Act 2000. Secondary - Includes regulations governing children's homes and secure units (e.g. Children's Homes Regulations 2001).	Places duty of care on local authorities to ensure standards in children's homes are maintained to a specified level.	Ensuring decent standards in children's homes.		YES	
Special Education Needs	The Special Educational Needs (Provision of Information by Local Education Authorities) (England) Regulations 2001 (SI 2001/2218).	Publication of information about Special Educational Needs (SEN).	Publishing information on the local authority's Special Educational Needs policies and the arrangements and activities in carrying them out.	Special Educational Needs	YES	
Children in Care	Children Act 1989 Paragraphs 19A, 19B and 19C of Schedule 2. Secondary - Children (Leaving Care) England) Regulations 2001 but from the 1 April 2011 this group of children will be covered in the Care Planning, Placement and Case Review (England) Regulations 2010.	Duties on local authorities in relation to children about to leave care (eligible children).	To ensure good pathway planning for the child so that from the age of 16 the local authority, in full consultation with the child, develops a pathway plan that identifies the needs of the child and how they relate to their future requirements as they approach adulthood.		YES	
Children in Care	Children Act 1989 Section 23A(3). Secondary - Regulation 4 of the Children (Leaving Care) (England) Regulations 2001. From 1 April 2011 this group of children will be covered in the Care Leavers (England) Regulations 2010.	Care leaver support for former looked after children who reach age 16 when in custody or in hospital.	To provide this group of young people with the same care leaving entitlements as "relevant children" (see below). Even though the local authority does not accommodate them, it must keep in touch and maintain the young person's pathway plan.		YES	
Children in Care	Children Act 1989 Section 23C(5A), amended by the Children and Young Persons Act 2008, which came into force in August 2009. Secondary - The Children (Leaving Care) (England) Regulations 2001 [from 1 April 2011, the Care Leavers (England) Regulations 2010] and The Children Act 1989 (Higher Education Bursary) (England) Regulations 2009.	Paying a higher education bursary to a former "relevant child" who pursues higher education in accordance with their pathway plan.	To help formerly looked after children make a successful transition to adulthood, the local authority has to pay a fixed amount in the form of a bursary for those who are undertaking a course of higher education. The section confers on the relevant national authority (HMG / WAG) a regulation making power to specify the amount of the bursary and the conditions/arrangements for payment and recovery.		YES	
Special Education Needs	The Education (Special Educational Needs) (City Colleges) (England) Regulations 2002 (SI 2002/2071).	SEN payments to Academies in relation to pupils with statements. Duty is to review the payment arrangements in the event that any such arrangements are made.	Sets out arrangements whereby local authorities may make payments to an approved Academy in respect of a child for whom a statement is made. Local authorities are required to review the payment arrangements, in consultation with governing bodies.	Special Educational Needs	YES	
School Governors	Education Act 2002 section 19, amended by Education Act 2011 sections 38 and 39. Secondary - School Governance (Constitution) (England) Regulations 2007, School Governance (Constitution) (England) Regulations 2012	Sets out requirements for governing bodies of maintained schools including appointment of at least one LA governor and that the LA must give notice of any removal of an LA governor.		School Improvement	NO	
Education	Education Act 2002 section 20. Secondary - School Governance (Constitution) (England) Regulations 2007. School Governance (Federations) England Regulations 2007. School Governance (Constitution) (England) Regulations 2012.	To make the Instrument of Government for all maintained schools and federations of maintained schools	Provides a framework for decision making and accountability.	School Improvement	NO	
School Governors	Section 22 of the Education Act 2002.	To provide training and information for school governors.	To provide information they consider appropriate and training they consider necessary free of charge for governors of maintained schools to enable governors effectively to discharge their duties.	School Improvement	NO	
School Governors	Education Act 2002 section 34. Secondary - School Governance (New Schools) (England) Regulations 2007.	Provides for LA to set up a temporary governing body for new maintained schools until the governing body is constituted for the school under an instrument of government.	Ensures that new schools have a temporary governing body until permanent governing body is constituted.		NO	
Assessment	The Education (National Curriculum) (Key Stage 1 Assessment Arrangements) (England) Order 2004 (article 6) (made under section 87 of the Education Act 2002).	Key Stage 1: Local authorities must make provision for moderating teacher assessments in respect of the schools which they maintain in relation to at least 25% of all relevant schools.	Requirement for local authorities to moderate assessment in at least 25% of schools to ensure consistency of standards. This requirement has been reviewed and confirmed following the commitment in the White Paper 'The Importance of Teaching'.	School Improvement	NO	
Assessment	Assessment and reporting arrangements for Early Years Foundation Stage and Key Stage 1 – document has statutory force by virtue of section 87(11) of the Education Act 2002 and article 9 of SI 2004/2783, but also includes non-statutory guidance to local authorities	Key Stage 1: Local authorities must collect teacher assessment information from their maintained schools, quality assure it and submit it to the Department for Education.	Key Stage 1 data is reported to the Department for Education for school performance monitoring purposes. This requirement has been reviewed and confirmed following the commitment in the White Paper 'The Importance of Teaching'.	School Improvement	NO	
Assessment	Assessment and reporting arrangements for Early Years Foundation Stage and Key Stage 1 – document has statutory force by virtue of section 87(11) of the Education Act 2002 and article 9 of SI 2004/2783, but also includes non-statutory guidance.	Key Stage 1: Local authorities should offer schools training and advice on all aspects of assessment at Key Stage 1 and ensure they have an electronic system to submit Key Stage 1 data.	Ensuring schools are equipped to undertake Key Stage 1 teacher assessment and capture / submit results.	School Improvement	NO	

Review of Statutory Duties

Theme	Legislation	Title of duty	Function - What is it intended to achieved?	Service Area	Ongoing Duty Post Academisation	Comment
Assessment	Assessment and reporting arrangements for Early Years Foundation Stage and Key Stage 1 – document has statutory force by virtue of section 87(11) of the Education Act 2002 and article 9 of SI 2004/2783, but also includes non-statutory guidance.	Key Stage 1: Local authorities should ensure schools are aware of the need to store Key Stage 1 task and test materials responsibly.	Ensuring security of assessment documents.	School Improvement	NO	
Assessment	The Education (National Curriculum) (Key Stage 2 Assessment Arrangements) (England) Order 2003 (article 6) (made under section 87 of the Education Act 2002 and article 11 of the Order).	Key Stage 2: Local authorities must visit 10% of schools administering National Curriculum Tests (NCTs) for monitoring purposes.	Requirement for local authorities to visit 10% of schools during test week to ensure they are being administered correctly. The requirement has been confirmed following the external review of KS2 testing and accountability.	School Improvement	NO	
Curriculum	Education Act 2002 Section 79	Local authorities, governing bodies and head teachers have a duty to exercise their curriculum functions with a view to securing that the curriculum in their school satisfies the requirements of section 78 of the Education Act 2002 - balanced and broadly based curriculum.	Ensures that the curriculum provided by maintained primary and secondary schools is broad based and balanced and that it comprises the National Curriculum and provision for religious education and, for pupils in secondary school, sex education.	School Improvement	NO	
Curriculum	Education Act 2002 Section 85(9)	The local authority, governing body or head teacher shall have regard to any guidance issued by the Secretary of State about the curriculum.	To enable the Secretary of State to issue guidance to which local authorities and schools must have regard about course of study.	School Improvement	NO	
Curriculum	Education Act 2002 Section 85A(5), amended by Education Act 2011 section 31	The local authority, governing body or head teacher shall have regard to entitlement areas for pupils at key stage 4 (arts, humanities, DT, modern foreign languages) which is issued by the Secretary of State	To enable the Secretary of State to issue guidance in relation to the exercise of functions.	School Improvement	NO	
Curriculum	Education Act 2002 Section 88 (1A)	The local authority and governing body of each school is required to exercise their functions with a view to ensuring, and the head teacher must ensure, that the National Curriculum for England and the assessment arrangements specified in the National Curriculum, are implemented.	Requirement for local authorities to ensure head teachers fulfil their statutory duty in implementing and administering Key Stage assessment arrangements. Basic feature first laid out in the Education Reform Act 1988 to deliver the national curriculum. Part 6 of the Education Act 2002, as amended, provides for the current curriculum requirements in maintained schools. This requirement has been reviewed and confirmed following the external review of KS2 testing and accountability and the commitment in the White Paper 'The Importance of Teaching'.	School Improvement	NO	
Education	Education Act 2002 section 51A, inserted by Education Act 2011 section 4. Secondary - The Education (Pupil Exclusions and Appeals) (Maintained Schools) (England) Regulations 2002 (No. 3178), The Education (Pupil Exclusions and Appeals) (Pupil Referral Units) (England) Regulations 2002.	Prescribes the duties of the local authority with regard to an exclusion from a school and appeals against exclusions. Duties include: receiving information from schools on exclusions (permanent and fixed term); passing this information to the Secretary of State for Education when prescribed; and establishing review panels.	Provides a framework for exclusion to control how pupils are removed from school and provides independent scrutiny.	Behaviour Support	YES	This statutory duty seems questionable in light of the Education White Paper proposal that Alternative Provision funding from the High Needs Block (from which provision for permanently excluded pupil/pupils with health needs are funded) transfers to schools.
Schools	Education Act 2002 Section 32	Responsibility for fixing dates of school terms and holidays in community, voluntary controlled, community special; and maintained nursery schools.	Fixes the minimum number of sessions which schools must hold in a year and requires governing bodies to set the times of the school sessions.	Strategic Place Planning	NO	
Financial Reporting	Education Act 2002 Section 44enables the Secretary of State to make regulations to: require maintained schools to supply accounting information to the LA which maintains them; and to require Local authorities to provide accounting information provided by the schools to the Secretary of State. Secondary - The Consistent Financial Reporting (England) Regulations 2012.	The local authority must provide the Secretary of State with any financial statement provided to them in accordance with regulation 3 by the third Friday in the July following the financial year in respect of which the statement is made.	The CFR Regulations require schools to report on their income and expenditure to a common framework. All publicly funded schools need to keep accounts for reasons of public accountability, and this happened before CFR. The standardisation through CFR means that schools are able to benchmark their spend against others which helps them become more efficient. Increasing the detail in CFR improves benchmarking. CFR data is used to feed into outturn returns under section 251 of the Apprenticeships, Skills, Children and Learning Act 2009: previously local authorities had to fill in details of school expenditure separately. In the interests of transparency all of this data is published by DfE.	Finance	NO	
Teachers' Pay	Education Act 2002, Part 8 s122 gives the Secretary of State a power to prescribe pay and conditions for teachers in maintained schools by Order. Secondary - The School Teachers' Pay and Conditions Order 2012 makes provision for the pay and conditions of teachers by reference to a document entitled "The School Teachers' Pay and Conditions Document" (STPCD).	The STPCD imposes various duties on relevant bodies in relation to the determination of teachers' pay. The local authority is the relevant body where the school does not have a delegated budget or where the teacher is an unattached teacher (Part 1 of the STPCD).	In practice most decisions about pay are delegated to school governing bodies and the local authority is expected to support, challenge and advise its schools on financial propriety (including audit of other maintained schools). A national framework ensures there is no requirement on individual schools and local authorities to negotiate teachers' terms and conditions. The Government has made a commitment to give more freedoms and flexibilities over teachers' conditions and pay.	Human Resources	NO	
Teachers and staff	Education Act 2002 Sections 21, 131 and 210. Secondary - The Education (School Teacher Performance Management) (England) Regulations 2012.	The local authority has to establish a performance management policy and is responsible for establishing a written policy. Prior to the policy being established or revised, there must be consultation with all unattached teachers and the recognised unions. The local authority must appoint a reviewer for unattached teachers	To ensure effective performance management arrangements are put in place for teachers	Human Resources	NO	
Adoption	Adoption and Children Act 2002 Section 3. Secondary - Adoption Agencies Regulations 2005 (SI 2005/389). Local Authority Adoption Service (England) Regulations 2003 (SI 2003/370)	A general duty on the local authority to maintain an adoption service within their area. Further requirements are set out in the "conduct regulations", including duties relating to staffing and managers. Also a related duty to set up an adoption panel.	This duty must include making arrangements for the adoption of children and the provision of adoption support services. As part of this, local authority must complete a statement of purpose and a children's guide.		YES	
Adoption	Adoption and Children Act 2002 Section 3 . Secondary - The Adoption Support Services Regulations (SI 2005/691) set out which types of support services must be extended to which categories of persons.	Preparing a plan and keeping it under review, where the local authority decides to provide adoption support services.	Ensuring that various procedures are followed, including the appointment of an adviser, where the local authority decides to provide adoption support services.		YES	

Review of Statutory Duties

Theme	Legislation	Title of duty	Function - What is it intended to achieved?	Service Area	Ongoing Duty Post Academisation	Comment
Adoption	Adoption and Children Act 2002 Sections 2, 18, 19, 22, 30-35 . Secondary - Adoption Agencies Regulations 2005 (SI 2005/351) (made under s.9 of the 2002 Act)	Detailed provision in relation to functions and duties of adoption agencies at various stages of the adoption process. "Adoption agency" is defined as a local authority or registered adoption society (Voluntary Adoption Agency).	To ensure that adoption processes are undertaken efficiently and effectively - including matching and decision making - in the best interests of the child. Also ensuring that the local authority only places a child for adoption where they are satisfied that the child ought to be placed for adoption, either with parental consent or a placement order (an order of the court authorising an LA to place a child for adoption).		YES	
Adoption	Adoption and Children Act 2002 Section 56. Secondary - (see the Disclosure of Adoption Information (Post-Commencement Adoptions) Regs 2005 (SI 2005/888).	Keeping prescribed information in relation to an adopted person .	This applies to all adoption agencies, including local authorities.		YES	
Adoption	Adoption and Children Act 2002 section 56. Secondary - (see the Disclosure of Adoption Information (Post-Commencement Adoptions) Regs 2005 (SI 2005/888).	Access to Information and Intermediary Services - Duty on the adoption agency to keep prescribed information in relation to an adopted person .	This applies to local authorities in their capacity as adoption agencies.		YES	
Adoption	Adoption and Children Act 2002 Section3(2). Secondary - The Adoption Support Services Regs 2005 (SI2005/691).	Making arrangements for the provision of adoption support services. Adoption Support Services are defined in section 2(6) of the 2002 Act. By virtue of the Adoption Support Services Regs 2005 the LA may provide these facilities by securing their provision by e.g. registered adoption societies, another LA, a registered adoption support agency.	To ensure that local authorities provide support to adopters and adopted children. Regs prescribe the activities considered to be Adoption Support Services.		YES	
Adoption	Adoption and Children Act 2002 Act Sections 83 Secondary - Adoptions with a Foreign Element Regulations 2005 ('FERs'): Non-Hague Convention (s.83) cases	Responsibilities in relation to inter-country adoption. In non Convention cases, a duty to review and visit a child once it has been brought into the country.	Ensures that adoption agencies assess prospective adopters in accordance with the regulations before the child can be brought into the UK. Also that they visit and review the child's placement; and provide pre and post adoption support to prospective adopters.		YES	
Safeguarding Children	Education Act 2002 (introduced 1 June 2004) Section 175	Duty on local authorities in relation to their education functions to ensure that these functions are exercised with a view to safeguarding and promoting the welfare of children. The authority must have regard to guidance given by the Secretary of State (in England)/ Welsh Ministers (in Wales).	Aims to ensure that safeguarding is integral to all that local authorities do in carrying out their education functions. Applies to: Local authorities in their education functions (and also to governing bodies of maintained schools, governing bodies of Further Education institutions; independent schools).		YES	
Curriculum	Education Act 2002 Sections 79 (6) and (7).	General duties in respect of sex education and the curriculum.	To have regard to statutory guidance on sex education issued by the Secretary of State when exercising any function that may affect the provision of sex education in maintained schools	School Improvement	NO	
Teachers and staff	The Education (School Teachers Prescribed Qualifications) (England) Regulations 2003 and The Education (Specified Work and Registration) (England) Regulations 2012 and Education (School Teachers) (Qualifications and Specified Work) (Miscellaneous Amendments) (England) Regulations 2012	Require maintained and non maintained special schools in England to check that their teachers have Qualified Teacher Status or fall within the special categories outlined in the regulations and sets out qualifications they must have.	Relates to local authorities in their capacity as employers of teachers in maintained schools.	Human Resources	NO	
Teachers and staff	The Education (Health Standards) (England) Regulations 2003	Require schools to ensure that staff involved in relevant activity or teaching meet the necessary health and physical capacity required to do their job.	Relates to local authorities in their capacity as employers of teachers in maintained schools.	Human Resources	NO	
Teachers and staff	The Education (Specified Work and Registration) (England) Regulations 2012 and Education (School Teachers) (Qualifications and Specified Work) (Miscellaneous Amendments) (England) Regulations 2012	Requires school teachers to be qualified.	Relates to local authorities in their capacity of employers of teachers in maintained schools	Human Resources	NO	
Inspection	Local Authority accountability: (1) s20 Children Act 2004 and The Children Act 2004 (Joint Area Reviews) Regulations 2005 (2) s137 Education & Inspections Act 2006 and The Education & Inspections Act 2006 (Inspection of Local Authorities) Regulations 2007(3) s.141 Education & Inspections Act 2006	(1) Joint Area Reviews: regulations require the local authority to distribute the report and produce and distribute a post inspection action plan (2) Reports of inspections under section 136: requires the LA to distribute the report and produce and distribute a post inspection action plan as specified in regulations. (3) Power to require information etc: requires the local authority to provide the Chief Inspector with any information or document she requires in relation to local authority performance of its functions or in connection with her own functions.	Inspection of local authority children's services - (1&2) There is no current programme of full joint area reviews, however, the legislation is used for the programme of 3 yearly inspections of safeguarding and looked after children. There is no current programme of s136 inspections of local authorities, but the legislation could be used for ad hoc inspections. Where an inspection takes place under either provision, the duties on the local authority ensure that: relevant bodies / persons are aware of the outcome of the inspection; the local authority responds to the report; and relevant bodies / persons are made aware of that response. (3) Facilitates the process of inspection and assessment of a local authority.		YES	
Children and Young People	Children Act 2004 Section 11 .	Duty to make arrangements for ensuring that their functions are discharged having regard to the need to safeguard and promote the welfare of children; and applies where services provided through a third party.	The aim is to ensure that safeguarding is integral to all that local authorities do.		YES	
Safeguarding Children	Children Act 2004, sections 13. (Sections 14 - 16 refer to the functions, procedure and funding of Local Safeguarding Children Boards). Secondary - Local Safeguarding Children Boards Regulations 2006, SI 2006/90.	Local authority duty to establish a Local Safeguarding Children Board (LSCB), to ensure representatives of various bodies and of the local community are included on it, and to co-operate with the "Board partners". The LSCB co-ordinates what is done by partners to safeguard and promote the welfare of children. The LSCB has a range of specific functions including serious case reviews, reviews of child deaths and the production of an annual report.	Safeguarding and promoting the welfare of children requires effective co-ordination in every local area. The LSCB is the key statutory mechanism for agreeing how the relevant organisations in each local area will co-operate to safeguard and promote the welfare of children in that locality.		YES	

Review of Statutory Duties

Theme	Legislation	Title of duty	Function - What is it intended to achieved?	Service Area	Ongoing Duty Post Academisation	Comment
Children and Young People	Children Act 2004 Section 18	Duty to appoint a Director of Children's services to fulfil the functions of the local authority as they relate to children and young people, including education, children's social care and local partnerships	To provide a single line of accountability within the local authority for services to children and to promote co-operation to improve children's well-being among partners in the local area		YES	Education White Paper indicates possible changes.
Children and Young People	Children Act 2004 Section 19	Duty to designate a Lead Member for Children's Services to discharge functions of the local authority as above	To provide a single line of political accountability within the local authority for services to children and to promote co-operation to improve children's well-being among partners in the local area		YES	Education White Paper indicates possible changes.
Children and Young People	Children Act 2004 Section 10 (1)	Duty to co-operate' – to make arrangements to promote co-operation between the local authority; each of the authority's relevant partners, and such other persons or bodies the authority consider appropriate to improve outcomes for children. Those outcomes are defined as the five Every Child Matters outcomes: be healthy, stay safe, enjoy and achieve, make a positive contribution and achieve economic well-being	To promote and encourage better co-operation and partnership working among the various agencies which provide or commission services for children (and families) at every organisational level from strategic planning to front line multi agency team work		YES	Still applicable in relation to potential changes arising from the Education White Paper?
Children and Young People	Children Act 2004 Section 10(3)	Duty to have regard to the importance of parents and carers in improving children's wellbeing.	To highlight the importance of families to children's well-being in the Children Act 2004.		YES	
Children and Young People	Children Act 2004 Section 12A as amended by the Apprenticeship, Skills, Children and Learning Act 2009	Duty to establish a Children's Trust Board as part of the wider co-operation arrangements.	To standardise existing arrangements by creating a statutory body in every local authority area to oversee the co-operation arrangements to improve children's well-being. The Government has announced its intention to repeal this requirement.		NO	
Complaints	Education Act 2005 Sections 11B and 11	Power of Chief Inspector to investigate complaints about schools: Duty on local authority, if requested to do so by the Chief Inspector, to (1) provide information relevant to an Ofsted investigation of a parental complaint about a school maintained by the local authority; (2) make arrangements for meeting for parents to be held (where the school does not have a delegated budget); (3) provide a copy of the Chief Inspector's report to parents (where the school does not have a delegated budget).	To facilitate the investigation, by Ofsted, of a parental complaint about a maintained school.	School Improvement	NO	
Schools	Education Act 2005 Section 15 amended by Education Act 2011 Section 40	If after a section 5 inspection the Chief Inspector considers a school to require special measures or significant improvement, local authorities are required to consider what action to take in light of the report and prepare a written statement of action they propose to take in light of the report and to send a copy to the Chief Inspector, and in the case of a voluntary aided school, the person who appoints the foundation governors and the appropriate appointing authority.	To ensure local authorities take action when a school goes into an Ofsted category.	School Improvement	NO	
Adoption	Adoption and Children Act 2002 Sections 61, 62 Secondary (post commencement) - Adoption Agencies Regulations 2005- duty to keep child/prospective adopter (PA) case records. Disclosure of Adoption Information (Post-Commencement Adoptions) Regs 2005 . Secondary (pre-commencement) - Adoption Information and Intermediary Services (Pre-Commencement Adoptions) Regs 2005. Adoption Agencies Regulations 1983.	Disclosing, where appropriate, 'protected information' about adults/children following an application, and obtaining the views of the person the information is about (or parent/guardian/child if the information is about a child) before doing so. Retaining adoption information for certain periods and keeping it secure and confidential.	Sets out how adoption agencies should manage information about adoptions. Ensures those involved in adoption have access to appropriate information and that contact between adopted persons and their birth relatives can be facilitated where appropriate.		YES	
Adoption	The Adoption Support Services Regs (SI 2005/691) set out which types of support services must be extended to which categories of persons.	Where the local authority decides to provide adoption support services, they have a duty to prepare a plan and keep this under review. There is a duty on the local authority to review the provision of support services/financial support where, for example, there is a change in that person's circumstances, or annually.	The Regs also place a duty on the local authority to appoint an adoption support services adviser; set out the procedure for the local authority to follow when carrying out an assessment for support services and financial support; and impose a duty on the local authority to give the person requesting an assessment notice of the proposed decision to allow for representations.		YES	
Adoption	Adoption and Children Act 2002 Section 84. Secondary - Adoptions with a Foreign Element Regulations 2005.	Preparing reports for the court in relation to applications for parental responsibility orders where a child is being taken out of the UK for the purposes of adoption. In Convention cases, providing counselling and information, undertaking assessments and reports, and exchanging relevant documents.	Ensuring that adoption agencies understand and comply with inter-country adoption procedures to protect children who are being adopted outside of the UK, providing relevant information for the courts so that they are able to make fully informed decisions.		YES	
Adoption	Private Fostering Regulations 2005	For local authorities to safeguard privately fostered children in their area	To assess and monitor private fostering arrangements to ensure that they are safe and suitable for children		YES	
Establishment of New Schools	Education and Inspections Act 2006 Sections 6a, 7, 9, 10 and 11, amended by Education Act 2011 section 37. Secondary legislation - The School Organisation (Establishment and Discontinuance of Schools) (England) Regulations 2007.	Local authorities to follow the prescribed statutory process when considering inviting proposals / considering proposals to establish new schools	Local authorities to follow the prescribed statutory process when proposing the closure of existing maintained schools.	Strategic Place Planning	YES	Replaced by the Free School process.
Closure of Schools	Education and Inspections Act 2006 Section 15 . Secondary legislation - The School Organisation (Establishment and Discontinuance of Schools) (England) Regulations 2007. (applies to Local authorities).	Local authorities to follow the prescribed statutory process when proposing the closure of existing maintained schools.	Local authorities are able to take an overview to plan the provision of schools to meet local needs	Strategic Place Planning	NO	
Alterations of Existing Schools	Education and Inspections Act 2006 Section 19 . Secondary legislation - The School Organisation (Prescribed Alterations to Maintained Schools) (England) Regulations 2007.	Local authorities to follow the prescribed statutory process when proposing alterations to existing schools.	Outlines the statutory process and local decision making arrangements. To ensure a consistent, open and transparent process when proposing changes to existing maintained schools.	Strategic Place Planning	NO	

Review of Statutory Duties

Theme	Legislation	Title of duty	Function - What is it intended to achieved?	Service Area	Ongoing Duty Post Academisation	Comment
Complaints	Education and Inspections Act 2006 Section 60	If an LA issues a performance, standards and safety Warning Notice (WN) to a governing body of a school it must comply with a set of statutory requirements (e.g. WN must be in writing; it must set out the matters which have caused concern, the action which the governing body is required to take to remedy those matters, the initial period when they must remedy the concerns or make representations to Ofsted and the action the LA are minded to take if the governing body fail to take the required action).	It is intended to achieve early intervention by local authorities in schools causing concern. A school is eligible for intervention if it is in an Ofsted category or if it fails to comply with a valid warning notice issued by a local authority where there are concerns over performance, poor management and governance or where the safety of pupils and staff are threatened.	School Improvement	NO	
Complaints	Education and Inspections Act 2006 Section 63	If a local authority requires a school eligible for intervention (other than where a warning notice has been given under section 60A) to enter in to 'arrangements' (e.g. collaboration/federation etc), the local authority must consult the Governing Body of the school and, in the case of foundation or voluntary schools, the appropriate diocesan or appointing authority. If the school is eligible for intervention because a warning notice has been given under section 60 of the Act, the power must be exercised within 2 months following the end of the compliance period.	To allow a local authority to require a school eligible for intervention to enter into a contract or arrangements with another school, FE college or named person for the purpose of school improvement.	School Improvement	NO	
Intervention	Education and Inspections Act 2006 Section 64	Power fo LA to appoint additional governors if the school eligible for intervention. If school is eligible for intervention for failure to comply with a warning notice - this power only lasts for 2 months after warning notice has been given and not compeied with by GB.	To strengthen the local authority voice on the Governing Body and/or to appoint governors with expertise in key areas to support a school's improvement.	School Improvement	NO	
Intervention	Education and Inspections Act 2006 Section 65	If local authorities want to put in place an Interim Executive Board (IEB) in a school eligible for intervention, they must apply to the Secretary of State for consent and before doing so, must consult the Governing Body and in the case of foundation or voluntary schools, the appropriate diocesan or appointing authority.	To secure a step change in the leadership and membership of a school through a specially appointed Governing Body for a temporary period.	School Improvement	NO	
Intervention	Education and Inspections Act 2006 Section 66	If a local authority decides to give notice to a governing body of a school eligible for intervention that it is suspending its right to a delegated budget, the power must be exercised within 2 months following the end of the defined compliance period where it is eligible for intervention for failing to comply with a warning notice.	For the school to secure control over staffing and spending decisions in order to achieve improvements or where the budget is proving a distraction from improvement priorities.	School Improvement	NO	
Estates	Sections 18, 19, 21, 22, 23, 24, 31, 181 and 183 Education and Inspections Act 2006. Secondary - The School Organisation (Prescribed Alterations to Maintained Schools) (England) Regulations 2007.	Transfer of land on the change of a school category	Legislation governs transfer of land from one body to another as a school changes category, e.g. if a community school becomes a Trust.	Strategic Place Planning	NO	
Safeguarding Children	Safeguarding Vulnerable Groups Act 2006	Imposes various requirements on (among other bodies) local authorities, including requirements: not to employ barred people to do 'regulated activity' (s7 and s9); to check that their employees/volunteers are subject to monitoring (Independent Safeguarding Authority -registered (ISA) before permitting them to engage in regulated activity (was s10(1) - repealed by the Protection of Freedoms Act 2012, s115(1), (2), Sch 9, Pt 6, paras 43, 50, Sch 10, Pt5); to refer individuals to the ISA (e.g. where they are removed from regulated activity) (s39); and to give information to the ISA on request (s40).	Duties apply to local authorities and others. Duty to refer and provide information to the ISA is intended to assist ISA in relation to its barring functions. All duties, save those relating to subject to monitoring are in force. This is currently subject to a review	Human Resources	YES	
Teachers and staff	Education Act 2006 Sections 60A and 69B.	The Secretary of State may direct the local authority to give a warning notice to the governing body under section 60A if the local authority decides not to do so. The local authority must comply with that direction. (Section 60A confers power on local authorities to give a warning notice (a teacher's pay and conditions warning notice) to a governing body where it is satisfied that the governing body have failed to comply with any provision of a School Teachers' Pay and Conditions Order which applies to teachers or the governing body has failed to secure that the head teacher complies with any such provision.) Section 72 of the 2006 Act imposes a duty on local authorities to have regard to guidance.	The intention is to provide a safeguard so that local authorities (or ultimately the Secretary of State) can ensure that teachers receive their statutory entitlements regarding their terms and conditions.	Human Resources	NO	
Early Years	Childcare Act 2006 Section 1	General duty to improve the well-being of children under five and reduce inequalities.	Places a duty on local authorities to improve the outcomes of all children under 5 and close the gaps between groups with the poorest outcomes and the rest by ensuring early years' services are accessible to all families.	Strategic Place Planning	YES	
Early Years	Childcare Act 2006 Section 1(3) and (4). Secondary - Local Authority Targets (Well-Being of Young Children) Regulations 2007 (SI 2007 / 1415) as amended by 2008 regulations.	Local authorities are required to act in manner best calculated to meet targets set for them by the Secretary of State.	Section 1 gives powers to Secretary of State to set targets in relation to the local authority early years outcome duties and underpinning regulations set out the process to be followed. i.e. local authority targets set must relate to the Early Years Foundation Stage Profile. Local authorities are under a duty to act in response to targets set for them by the Secretary of State in relation to Early Years outcomes, but the Secretary of State no longer sets any such targets so this duty has no practical effect.		NO	

Review of Statutory Duties

Theme	Legislation	Title of duty	Function - What is it intended to achieved?	Service Area	Ongoing Duty Post Academisation	Comment
Early Years	Childcare Act 2006 Section 3	Specific duties in relation to early years services. Includes duties to: make arrangements to ensure integrated provision of early years services; take steps to identify parents not using services and to encourage them to do so; take reasonable steps to encourage the involvement of various interested parties in the making and implementation of arrangements made under this section of the Act; have regard to such information about the views of young children as is available; and have regard to statutory guidance.	Section 3 encourages local authorities to work with health services and employment services when arranging early years services. It also encourages them to take into account the views of interested parties, and to promote early years services to those parents least likely to use them.	Early Years	YES	
Early Years	Childcare Act 2006 Section 4	Duty to make arrangements to work with the National Health Service Commissioning Board and Job Centre Plus in performance of the local authority's duties under sections 1 and 3 of Childcare Act 2006	To ensure Local authorities work with National Health Service Commissioning Board and Jobcentre Plus to achieve their early years outcome duty.	Early Years	NO	Defunct
Early Years	Childcare Act 2006 Section 99 - Secondary - The Childcare (Provision of Information About Young Children) Regulations 2009 (SI 2009 / 1554).	Annual collection of Early Years Foundation Stage Profile data. Gives power to local authorities to collect information about individual children receiving early years provision, but also places a duty on local authorities to supply that information to the Secretary of State if requested.	This duty underpins various information collections and enables the Secretary of State to obtain information collected by local authorities from childcare providers to help compile Early Years Foundation Stage Profile data and the Early Years Census returns. Local authorities need a range of information to exercise their roles and responsibilities effectively. They are required to provide informatio to parents and families in their areas about provision.	Early Years	YES	
Information	Childcare Act 2006 Section 12. Secondary The Childcare Act 2006 (Provision of Information to Parents (England) Regulations 2007.	Duty to provide information, advice and assistance	The duty is intended to ensure that local authorities establish and maintain a service providing information, advice and assistance for parents and prospective parents with information on the provision of childcare and on other services or facilities, or publications, that may benefit them or children or young people. They should also provide particular help to parents from groups likely to find it more difficult to access suitable childcare, e.g. parents of disabled children.	Early Years	YES	
Children's Centres	Childcare Act 2006 Section 5A	Duty to secure sufficient children's centres to meet local need, so far as this is reasonably practicable	Intended to ensure there are sufficient children's centres in all local authority areas		YES	
Children's Centres	Childcare Act 2006 Section 5C	Duty to secure that each children's centre is within the remit of an advisory board	Intended to ensure there are advisory boards for all children's centres. These provide advice and assistance to children's centre leaders, who are responsible for managing children's centres		YES	
Children's Centres	Childcare Act 2006 Section 5D	Duty to secure that consultation is carried out before children's centres are opened or closed or have significant changes made to services	Intended to ensure that local parents and any other interested parties are consulted about any major changes that are proposed to be made to children's centre provision		YES	
Children's Centres	Childcare Act 2006 Section 5E(2)	Duty to consider whether early childhood services should be delivered through one of the children's centres in the area	Intended to ensure that local authorities (and Primary Care Trusts and Job Centres Plus) actively consider whether services to young children and/ or their parents should be provided through children's centres.		YES	
Children's Centres	Childcare Act 2006 Section 98C(3)	Duty to produce and publish an action plan after an Ofsted inspection	Intended to enable parents and others interested in the quality of children's centre provision to see how any concerns arising during an inspection are going to be addressed.		YES	
Childcare	Childcare Act 2006 Section 6	Duty to secure sufficient childcare for working parents (or parents in education/training)	To require local authorities to ensure there is childcare available to enable parents to take up or remain in work or to undertake education or training to assist them in obtaining work.	Strategic Place Planning	YES	
Childcare	Childcare Act 2006 Section 7 as amended by Education Act 2011 Section 1	Duty to secure prescribed early years provision free of charge	To ensure that all children under school age, as described in regulations or guidance from the Secretary of State, can access free nursery education.	Strategic Place Planning	YES	
Childcare	Childcare Act 2006 Section 11	Duty to assess childcare provision	To ensure local authorities undertake an assessment to childcare provision in their area to enable them to meet their duty to secure sufficient childcare for working parents (s6 Childcare Act 2006)	Strategic Place Planning	YES	
Childcare	Childcare Act 2006 Section 13	Duty to provide information, advice and training to childcare providers, and prospective providers.	To ensure that local authorities give local childcare providers and would-be providers in their area the necessary support to help deliver sustainable affordable and high quality childcare that meets the needs of the community.	Early Years	YES	
Early Years	The Early Years Foundation Stage (Learning and Development Requirements) Order 2007	Early Years Foundation Stage: places a duty on local authorities to make provision to ensure that early years foundation profile assessments made by providers in their areas are accurate and consistent, and have regard to any guidance given by the Department for Education.	Enables local authorities to ensure schools and early years providers fulfil their statutory duty in implementing and administering early years foundation stage assessment arrangements. The duty is intended to support the accuracy and consistency of early years foundation stage profile data reported to parents and practitioners, and by the Department for Education at national and local authority levels.	Early Years	YES	
School Admissions	The Information as to Provision of Education (England) Regulations 2008 No. 4	Information to be provided by authorities to the Secretary of State	Local authorities must provide the Secretary of State with a report on secondary school admissions on 1st March (or in any year which 1st March is not a working day, on the next working day.)	Admissions	YES	

Review of Statutory Duties

Theme	Legislation	Title of duty	Function - What is it intended to achieved?	Service Area	Ongoing Duty Post Academisation	Comment
Teachers and staff	The Education (Induction Arrangements for School Teachers) (England) Regulations 2012	Sets out the regulations relating to the need for registered teachers to complete formal induction periods and for schools not to employ a person as a teacher unless they have satisfactorily completed their induction period. This relates to local authorities in their capacity as employers of teachers in maintained schools.	It is intended to ensure that all teachers in the maintained sector have demonstrated that they meet the core professional standards for teaching. No qualified teacher can be employed in a maintained school or a non-maintained special school unless that person has satisfactorily completed an induction period in accordance with these regulations, subject to various exceptions.	Human Resources	NO	
Schools	The Education School Information (England) Regulations 2008 SI 2008/3093 Regulation 5.	Local authority to publish composite prospectus	Places a duty on local authorities to publish annually, and make available to parents, a composite prospectus which includes all local primary and secondary schools. Amendments to these Regulations (SI 2010/1006), intended to broaden the range of statutory information to be included in composite prospectuses, came into force 1 September 2010.	Strategic Place Planning	YES	Is this still an appropriate duty for the LA?
Special Education Needs	The Education School Information (England) Regulations 2008 Regulation 8 of SI 2008/3093.	Local authority to publish other information for parents	Places a duty on local authorities to publish miscellaneous information annually (including the making of educational grants, Special Educational Needs provision, school transport strategies, school uniform policies etc). The amendments to these regulations (SI 2010/1006), which came into force on 1 September 2010, do not amend this duty.	Strategic Place Planning	YES	Is this still an appropriate duty for the LA?
Young People	Education and Skills Act 2008 Section 68.	To make available to young people and relevant young adults such services as they consider appropriate to encourage, enable or assist them to engage and remain in education or training. The services are currently known as Connexions services. Local authorities must: have regard to any guidance issued by the Secretary of State; comply with any directions given by the Secretary of State relating to the exercise of their functions under section 68; and can fulfil the duty to make services available either by providing them itself or by making arrangements with others which could include other local authorities.	Local authorities have a statutory duty to 'assist, encourage and enable' young people aged 13-19 (and young adults with a learning difficulty and/or disability up to the age of 25) to participate in education or training. Services provided under this duty are delivered under the 'Connexions' brand. The Government announced on 4 November 2010 the establishment of an all-age careers service by April 2012. These new arrangements will mean local authorities no longer provide a universal careers guidance offer, but they will retain responsibility for providing targeted support for vulnerable young people and have greater flexibility to do so.		YES	Is this still an appropriate duty for the LA?
Young People	Education and Skills Act (2008) chapter 2 section 10	Required to promote the effective participation in education or training of the young people in their area to 18 (or 25 for those with learning difficulties or disabilities). The duty is already enacted but comes into force in June 2013.	Key driver behind Raising the Participation Age.	Strategic Place Planning	YES	Is this still an appropriate duty for the LA?
Budget	Apprenticeships Skills Children and Learning Act 2009 Sections 251 and 252 .	Local authorities must provide information about their planned and actual expenditure (annual budget and outturn statements) on their education functions and their children's social services functions, in accordance with directions given by the Secretary of State.	The statements are an important means of informing schools, school forums, the public and Parliament about the funding plans and spend of local authorities in respect of their schools and their children's services. The statements provide a consistent format across the country so that meaningful comparisons can be made between authorities about the overall education and children's services budgets. This data collection is the main source of financial information the Government draws upon to evaluate the effectiveness of its funding mechanisms. In addition, those data allow schools, school forums and the Department for Education to challenge allocations that do not allow for high quality education and children's services at the front line, and for local authorities to compare their spending patterns with those of other local authorities in order to follow good practice.	Finance	YES	
Teachers and staff	The School Staffing (England) Regulations 2009.	The appointment, management and dismissal of staff.	Outlines the duties of the local authority (and the governing body) in relation to the appointment, management and dismissal of staff.	Human Resources	NO	
Teachers and staff	School Staffing (England) Regulations 2009	Require schools in England to keep a register or single central record of the recruitment and vetting checks carried out on staff.		Human Resources	NO	
Safeguarding Children	The Local Safeguarding Children Boards (Amendment) Regulations 2010 - SI 2010/622 (under Children and Young Persons Act 2009)	To ensure local authorities take reasonable steps to ensure representation of schools and further education institutions on the Local Safeguarding Children Boards	To ensure local authorities take reasonable steps to ensure representation of schools (maintained and independent) and further education institutions on the Local Safeguarding Children Boards		YES	
Over compulsory school age	Apprenticeships, Skills, Children and Learning Act (2009) Part 2 section 41 inserts sections 15ZA and 15ZB into the Education Act (1996)	Duty in respect of education and training for persons over compulsory school age:	That local authorities act as the strategic commissioner of provision for young people aged 16-19 (and those aged up to 25 who are subject to a learning difficulty assessment).	Strategic Place Planning	YES	Is this still an appropriate duty for the LA?
Over compulsory school age	Apprenticeships, Skills, Children and Learning Act (2009) Part 2 section 42 inserts section 15ZC into Education Act (1996)	Encouragement of education and training for persons over compulsory school age.	To ensure local authorities encourage participation in education and training.	Strategic Place Planning	YES	Is this still an appropriate duty for the LA?
Education	Apprenticeships, Skills, Children and Learning Act (2009) Part 2 section 44 inserts section 51A into Further and Higher Education Act 1992	Duty to provide for named individuals	Local authorities, if necessary, can require a provider to make provision for a named individual	Strategic Place Planning	YES	Is this still applicable?
Education	Apprenticeships, Skills, Children and Learning Act (2009) Part 2 section 45, inserts section 17A - 17D in the Education Act (1996)	Duties in relation to the core entitlement.	Defines the core entitlement and the local authority's role in securing this. The core entitlement comes into force from the academic year 2013/14.	Strategic Place Planning	NO	
Special Education Needs	Apprenticeships, Skills, Children and Learning Act (2009) Part 2 section 46 inserts section 514A - in the Education Act (1996)	Provision of boarding accommodation for persons subject to learning difficulty assessment	Local authorities have a power to secure boarding accommodation for young people aged over 16 but under 25 who are subject to a learning difficulty assessment	Special Educational Needs	YES	
Over compulsory school age	Apprenticeships, Skills, Children and Learning Act (2009) Part 2 section 47 inserts section 560A into the Education Act (1996)	Work experience for persons over compulsory school age: England	Sets out the role of the local authority in securing work experience for young people aged 16-19 (25)		YES	Is this still an appropriate duty for the LA?

Page 385

Review of Statutory Duties

Theme	Legislation	Title of duty	Function - What is it intended to achieved?	Service Area	Ongoing Duty Post Academisation	Comment
Education of Young Offenders	Apprenticeships, Skills, Children and Learning Act (2009) Part 2 sections 48-52 insert various clauses into the Education Act (1996)	Provision of education for persons subject to youth detention	Sets out the role of the local authority in providing education for 16-19s in youth detention in their area		YES	
Education	Apprenticeships, Skills, Children and Learning Act (2009) Part 2 sections 56-57	Power of Local Education Authorities to arrange provision of education at non-maintained schools		Strategic Place Planning	YES	Is this still applicable?
Teachers' Pensions	Teachers' Pensions Regulations 2010	Local Authority is regarded as the employer for pension purposes for all teachers in schools maintained by them (Local authorities). These specific duties are related to service and contribution remittance.	The Teachers' Pension Scheme is an occupational pension scheme which benefits employers as well as teachers.	Human Resources	NO	
Education	Equality Act 2010 Section 88 and Schedule 10. This came into force on 1 October, replicating duties under the Disability Discrimination Act 1995. The Disability Discrimination (Prescribed Times and Periods for Accessibility Strategies and Plans for Schools) Regulations 2005	Accessibility for Disabled Pupils	To develop accessibility strategies to facilitate better access to education for disabled pupils. Under this same legislation schools also have to develop access plans which build upon the local authority access strategy.	Strategic Place Planning	YES	Is this still an appropriate duty for the LA?
Child Poverty	Child Poverty Act 2010	Duties of local authorities and other bodies in England: requires local cooperation arrangements to be made to reduce and mitigate the effects of child poverty in local areas; and the arrangements to include arrangements to prepare and publish local child poverty needs assessments, and to prepare joint child poverty strategies for local areas.	Tackling child poverty requires action at national and local levels, and the Child Poverty Act therefore compels both tiers of government to act (the Act requires the Government to publish a UK child poverty strategy). Part 2 of the Child Poverty Act aims to ensure that all local authorities take steps to enable more effective cooperation at local level, grounded in strong knowledge and understanding of child poverty in local areas and leading to clear strategies and plans through which cooperation and partnership working can have a demonstrable impact on child poverty in local areas.		YES	
Religious Education	Education Act 1996 Section 390	The LA shall convene a Standard Advisory Council for Religious Education (SACRE) who must consider and approve applications for a determination from a school to modify the type of collective worship (CW) provided to reflect the backgrounds and traditions of the school community.	This ensures that where a school serves a community which is predominantly of a faith other than Christian, they have the flexibility to change the nature of their daily act of collective worship in order to reflect the needs of the local community.	School Improvement	YES	Why would this still be a role for the LA?
Looked after Children	Children Act 1989 section 22	Duties on local authorities in relation to looked after children: duty to safeguard and promote their welfare; duty to ascertain wishes and feelings of child/parents before making any decision; and in making any decision to give due consideration to those wishes and feelings and to the child's religious persuasion, racial origin and cultural and linguistic background.	A looked after child is a child who is subject to care order or provided with accommodation by the local authority in exercise of its social services functions. The duty to take account of the wishes and feelings of the child is important to ensure these children have a say in key decisions about their life and that the plan for the child's care is appropriate to their needs. Required for compliance with articles 12&13 of United Nations Human Rights Charter.		YES	
Looked after Children	Children Act 1989 section 23	Accommodation for looked after children. A child may be placed back with their parents, with local authority foster parents (which could be family/friend), in a children's home or through other arrangements.	The following sets of Regulations set out in detail the local authority care planning responsibilities: Arrangements for Placement of Children (General) Regulations 1991 (SI 1991/890); Placement of Children with Parents etc Regulations 1991 (SI1991/893); and Fostering Services Regulations 2002 (SI 2002 /57) - Parts 4,5 and 6.		YES	
Looked after Children	Children Act 1989 Schedule 2 paragraph 15.	Promoting contact between the child and his family.	To ensure that local authorities use their best endeavours to promote contact between the child and his family.		YES	
Looked after Children	Children Act 1989 Schedule 2, paragraph 19.	Making arrangements for a looked after child to live outside England and Wales.	Restrictions on the making of such arrangements.		YES	
Looked after Children	Children Act 1989 Sections 25A, 25B and 25C, inserted by Children and Young Persons Act 2008, coming into force on 1 April 2011 – to replace the duty under section 26 Secondary - Care Planning, Placements and Case Review (England) Regulations 2010	Extending the duties in relation to Independent Reviewing Officers (IRO) including their appointment, qualifications and responsibilities.	These changes ensure that local authorities appoint a suitably qualified IRO for all looked after children to ensure that care planning and case review are done well, reflect the needs of the child and take into account their wishes and feelings. The IRO also monitors the performance of the LA in its functions and ensures independence and appropriate governance in decisions about the child's case.		YES	
Looked after Children	Children Act 1989 Section 23ZA, inserted by Children and Young Persons Act 2008. Secondary - Care Planning, Placement and Case Review (England) Regulations 2010 and Visits to Former Looked After Children in Detention (England) Regulations 2010 (both to come into force on 1 April 2011).	Visits to and contact with looked after children and certain children who cease to be looked after.	New arrangements to ensure visits take place for children who cease to be looked after as a result of being detained in custody.		YES	
Looked after Children	Section 23ZB inserted by the Children and Young People's Act (this replaces Schedule 2, paragraph 17)	A duty on local authorities to appoint an independent visitor to visit, advise and befriend a looked after child of a prescribed description/in any other case it appears to the local authority it would be in child's interests to do so.	This provides for extending the group of looked after children for whom an independent person must be appointed to visit, befriend and advise the child to include all those for whom an appointment would be in their interests. Under schedule 2 para 17 of the Children Act 1989 a local authority needed only to appoint an independent visitor to children where communications/visits from the family were infrequent. It gives the appropriate national authority the power by regulations to extend those to whom the duty is owed to prescribed groups of looked after children.		YES	

Review of Statutory Duties

Theme	Legislation	Title of duty	Function - What is it intended to achieved?	Service Area	Ongoing Duty Post Academisation	Comment
Care leavers	Children Act 1989 Sections 23A to 24B Secondary - Children (Leaving Care) (England) Regulations 2001 which are to be replaced from 1 April 2011 with new Care Leavers (England) Regulations 2010.	Care Leavers - Supporting 'relevant children' and 'former relevant children' (care leavers). A relevant child is defined as a child who is aged 16 or 17, who is no longer looked after, and who was, before last ceasing to be looked after, an "eligible child". A former relevant child is defined as (i) a person who was a relevant child (and would be one if he was still under 18) or (ii) a person who was an eligible child when, at the age of 18, he ceased to be looked after	To support good quality professional practice and ensure that local authorities provide care leavers with the necessary support to achieve positive outcomes in adulthood – e.g. stable accommodation, financial assistance and an up to date pathway plan. These duties continue until the former relevant child reaches 21 and in some cases beyond that age.		YES	
Care leavers	Children Act 1989 sections 23C and 24B	Duties on Local authorities in relation to former relevant children: to keep in touch; to continue with the pathway plan and the personal adviser; to give financial assistance related to the child living near the place where he is or will be employed, so far as his welfare requires it; and to give financial assistance to the extent his welfare and his educational or training needs require. These duties continue until the former relevant child reaches the age of 21, except in the case of a former relevant child whose pathway plan sets out a programme of education or training which extends beyond his 21st birthday in which case the duties to continue with related financial assistance, the pathway plan, and the personal adviser continue for as long as he pursues that programme.	To provide on-going support and guidance to 18 year old care leavers particularly with regard to their education.		YES	
Care leavers	Children Act 1989 Section 24C	Providing information to another local authority if a care leaver or person qualifying for advice and assistance proposes to live or is living in the area of that other local authority .	Ensuring that care leavers are adequately supported by ensuring that relevant information is shared between local authorities when appropriate.		YES	
Care leavers	Children Act 1989 Part 3 and Parts 4 and 5 under section 24D of the Children Act 1989	Complaints may be made about the local authority functions specified in regulations and adoption functions and special guardianship support services or in the case of complaints "leaving care" functions of the local authority			YES	
Care leavers	Children Act 1989 Section 26A Secondary - Advocacy Services and Representations Procedure (Children) Amendment Regulations 2004.	Making arrangements for the provision of advocacy services for care leavers and children who make or intend to make representations.	To ensure looked after children and care leavers have access to independent advice and advocacy where they feel there are serious problems with the quality of the support or care being provided to them.		YES	
Adoption	Adoption and Children Act 2002 Section 2(8).	Providing facilities for inter-country adoption within adoption service.	Extends the duty of Local authorities to provide adoption services to include inter-country adoption. Provides that "adoption" includes the adoption of persons wherever habitually resident and effected under the law of any country or territory within or outside the British Islands.		YES	
Safeguarding Children	Children Act 1989 section 22	Places a duty on the local authority to apply for a placement order in certain circumstances.			YES	
Adoption	Children Act 1989 sections 30-35	The local authority may remove a child who has been placed for adoption from the prospective adopters and duties on the local authority where the parent wishes to recover the child or the potential adopters wish to return the child.	Allows the local authority to remove a child from an unsuitable placement which is not in the child's best interests and might put the child's welfare at risk, following adoption		YES	
Adoption	Adoption and Children Act 2002 Section 58, 60.	Disclosing information to adopted adult if requested and to a prescribed person in prescribed circumstances.	Ensuring adults who have been adopted have access to information about their background, including their birth family.		YES	
Adoption	Adoption and Children Act 2002 Sections 4(1). Secondary - The Adoption Support Services Regulations (SI 2005/691) - set out procedure for assessment	Carrying out an assessment for adoption support services where specified parties request this.	Ensuring that those involved in adoption, at any stage of the process, have access to adoption support services where appropriate.		YES	
Adoption	<i>Hague Convention cases</i>	Adoption agency duties to: provide counselling (reg 14); carry out assessment and prepare potential adopters' report; make a decision as to the potential adopters' suitability to adopt (reg 17); send all relevant information to central authority; consider Article 16 information and discuss with the potential adopter; notify the central authority that procedures have been followed and content for adoption to proceed; inform of proposed placement; where notice of intention to adopt – duties to monitor/review in reg 5 apply (see above); various duties imposed on the local authority if the placement breaks down.	Ensures the UK meets the objectives of the Hague Convention to protect and safeguard children.		YES	
Adoption	Adoption and Children Act 2002 Sections 42, 43, 44	Making an assessment/investigation in relation to applications for adoption orders.	The local authority must provide a report to the court where that child has or has not been placed for adoption by the local authority. The local authority must have been given sufficient opportunities to see the child and prospective adopters in the home environment.		YES	
Safeguarding Children	Children Act 1989 Section 20.	Providing accommodation for any child in need in their area who appears to require accommodation because there is no person with parental responsibility for them, they are lost or abandoned, or the person who has been caring for them being prevented (permanently or not, for whatever reason) from providing them with care.	Ensures children are looked after by the local authority in circumstances where parents or others are unable to do so.		YES	
Safeguarding Children	Children Act 1989 Section 21	Accommodation for children in police protection or detention or on remand (Local authority duty to provide)			YES	

Review of Statutory Duties

Theme	Legislation	Title of duty	Function - What is it intended to achieved?	Service Area	Ongoing Duty Post Academisation	Comment
Safeguarding Children	Children Act section 25. Secondary - Children (Secure Accommodation) Regulations 1991 (SI 1991/1505) and Children (Secure Accommodation) (No. 2) Regulations (SI 1991/2034).	Allows a local authority to make an application to the Court to seek a secure accommodation order.			YES	
Safeguarding Children	Children Act 1989 sections 44, 44A, 44B and 45	Allows the Court to make emergency protection orders on the application of a local authority (or other authorised body).			YES	
Looked after Children	Children Act 1989 Sections 62, 64.	Ensuring that the welfare of children in voluntary and private children's homes in their area is being safeguarded and arranging for children to be visited.	Ensuring local authorities focus on improving the safeguarding and welfare of the children placed in children's homes in their area, including those living out of area.		YES	
Looked after Children	Children Act 1989 Section 22G	Securing sufficient accommodation within the local authority's area to meet the needs of their looked after children.	This is intended to lead to an increase in the number and range of placements available within the local authority area and so reduce the use of out of area placements, unless they are the most appropriate for the child. It should also lead to a more efficient and cost effective commissioning process.		YES	
Looked after Children	Children Act 1989 Section 22C, 22D, 23 Secondary - Arrangements for Placement of Children (General) Regulations 1991 (SI 1991/890) . Placement of Children with Parents etc Regulations 1991 (SI1991/893) Fostering Services Regulations 2002 (SI 2002 /57) - Parts 4,5 and 6.	Providing accommodation for looked after children and ensuring that the child's case is reviewed prior to making such arrangements.	Ensuring looked after children are provided with suitable accommodation, which can include placement back with their parents, with LA foster parents (which could be family / friends), in a children's home or in other arrangements.		YES	
Looked after Children	Children Act 1989 Section 53 . Part 2 of the Care Standards Act 2000. Secondary - Children's Homes Regulations 2001 (soon to be replaced by the Children's Homes 2001 Amendment Regulations).	Securing sufficient children's homes for the care and accommodation of children looked after by the local authority. As a provider of children's homes, a local authority must be registered in respect of the home under the Care Standards Act 2000, and manage the home in accordance with the Children's Homes Regulations, which impose various obligations on providers.	Ensuring there is adequate provision of children's homes for children looked after by the local authority who need such a home, and that the children's homes are maintained and run to an acceptable standard.		YES	
Care leavers	Children Act 1989 section 23	Adds a further class of former relevant child' - one who is under 25, to whom section 23C no longer applies, and who has informed his local authority that he wishes to pursue a programme of education or training. Duties: to provide a personal adviser; to carry out an assessment of needs, to prepare a pathway plan; and to provide financial assistance to the extent his educational or training needs require it.	Due to come into force on 1 April 2011.		YES	
Safeguarding Children	Children Act 1989 Section 14A(8) subsection(9) Secondary - Special Guardianship Regulations 2005 (SI 2005/1109).	Investigating and preparing a report on the suitability of applicants for a Special Guardianship Order on receipt of notice of an individual's intention to apply.	Facilitating the creation of Special Guardianship Orders (a way of providing a permanent home for children in care and ensuring that the applicant is suitable.		YES	
Special Guardianship	Children Act 1989 Section 14F. Secondary - The Special Guardianship Regulations 2005.	Making arrangements for provision of special guardian support services (including financial support).	Ensuring that local authorities provide support to those involved in special guardianship. Local authorities may provide these services by securing their provision by another local authority or a registered adoption society/registered adoption support agency/registered fostering agency.		YES	
Sixth Form College	Further and Higher Education Act 1992 Section 33E, amended by the Apprenticeships, Skills, Children and Learning Act 2009 Schedule 8.	Requires sixth form colleges to consult with local authorities before offering or participating in secondary education.	Most other local authority duties in relation to further education are transferred to the Secretary of State by the Education Act 2011.	Strategic Place Planning	NO	
Teachers and staff	Education Act 2005 Section 94 as amended by Education Act 2011 Section 15	Duty to provide the Secretary of State with any information necessary for school workforce training.	Reflects the Secretary of State taking over the role of the Training and Development Agency for Schools. From 1 April 2012 the duty to provide this information to the TDA is replaced by the duty to provide it to the Secretary of State.	Human Resources	NO	
Young People	Education Act 1997 section 42A, inserted by Education Act 2011 section 29	Duty to provide independent careers guidance to all pupils in Pupil Referral Units from the ages of 14 to 16. this guidance must be impartial, and include information on all training options available both at ages 16 and 18 including apprenticeships.	Specifies local authorities' duties to provide careers guidance for pupils in Pupil Referral Units. For schools, this duty rests on the governing body. Statutory guidance underpinning this will be published shortly.	Behaviour Support	NO	
Education	Apprenticeships, Skills, Children and Learning Act 2009 Schedule 13 inserts section 69A into the Education and Inspections Act 2006, amended by Education Act 2011 section 44.	Powers of Secretary of State to require a local authority to give a warning notice to a maintained school.	Allows the secretary of state to intervene in under performing schools.	School Improvement	NO	
Education	Academies Act 2010 section 6 amended by Education Act 2011 section 58	Requires that local authorities cease to maintain a school once it becomes an academy. This does not, however, prevent them from providing goods or services to the academy or making payments for some but not all of its expenses.	Makes clear that section 6(2) of Academies Act 2010, which prohibits a local authority from maintaining a school once it has converted into an Academy, does not prohibit a local authority from doing any of the things set out in paragraphs a to c which do not amount to maintaining a school.	School Improvement	NO	
Education	Academies Act 2010 section 7 amended by Education Act 2011 section 57	Requires local authorities to pay the proprietor or an academy any surplus in a school's budget when it converts.		Finance	NO	
Education	Academies Act 2010 section 8 amended by Education Act 2011 section 59, 63, schedule 14	Allows the Secretary of State to transfer to converter academies property (including land), rights or liabilities held by local authorities on behalf of schools which convert.		Legal	NO	
Special Education Needs	Education Act 2011 section 75 inserts section 532A, 532B and 532C nto Education Act 1996	Allows local authorities to make direct payments for services for children with special educational needs, and allow the Secretary of State to set up pilots for such direct payments.	Enables direct payments for services for special educational needs.	Special Educational Needs	YES	

Review of Statutory Duties

Theme	Legislation	Title of duty	Function - What is it intended to achieved?	Service Area	Ongoing Duty Post Academisation	Comment
Curriculum	The Education (National Curriculum) (Key Stage 1 Assessment Arrangements) (England) Order 2004 (article 6A, inserted by the Education (National Curriculum) (Key Stage 1 Assessment Arrangements) (England) (Amendment) Order 2011) (made under section 87 of the Education Act 2002).	Key Stage 1: Local authorities must exercise their functions to monitor at least 10% of relevant schools to ensure the Year 1 phonics screening check is being administered correctly.	Requirement for local authorities to ensure head teachers fulfil their statutory duty in implementing and administering the Year 1 phonic screening check, which is being rolled out nationally from summer 2012.	School Improvement	NO	
Curriculum	Assessment and reporting arrangements for Year 1 phonics screening check - document has statutory force by virtue of section 87(11) of the Education Act 2002 and article 9 of the SI 2004/2783 as amended by article 7 of SI 2011/3057 but also includes non statutory guidance to local authorities.	Key Stage 1: Local authorities must visit at least 10% of relevant schools before, during and/or after the phonics screening check and submit information/data to the Department.	Requirement for local authorities to monitor the phonics screening check in at least 10% of schools to ensure it is being administered correctly (from summer 2012).	School Improvement	NO	

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