

Report No.
ED12016

London Borough of Bromley

PART ONE - PUBLIC

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

Date: **31 July 2012**

Decision Type: Non-Urgent Executive Non-Key

**TITLE: EDUCATION PORTFOLIO BUDGET MONITORING REPORT
2012/13**

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Chief Officer: Tessa Moore, Assistant Director of Education

Ward: Boroughwide

1. REASON FOR REPORT AND SUMMARY OF BUDGET POSITION

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

2. RECOMMENDATIONS

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

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

Corporate Policy

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

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

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

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

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

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

3. COMMENTARY

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

The Schools' Budget

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

The Non-Schools' Budget

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

4. POLICY IMPLICATIONS

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

5. FINANCIAL IMPLICATIONS

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

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