

Report No.
ED13002

London Borough of Bromley

PART ONE - PUBLIC

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

Date: **8th January 2013**

Decision Type: Non-Urgent Executive Non-Key

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

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

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

Ward: Boroughwide

1. REASON FOR REPORT AND SUMMARY OF BUDGET POSITION

- 1.1 This report reviews budget monitoring based on spending to the end of November 2012.
- 1.2 The Schools' Budget is funded from Dedicated Schools' and specific grants and is forecast to spend in line with the budget.
- 1.3 The Non-Schools' Budget is funded from Council Tax, Revenue Support and specific grants and the controllable part of it is forecast to be in an underspend position of £1,817,000.

2. RECOMMENDATIONS

2.1 The Education PDS Budget Sub committee are invited to:

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

Corporate Policy

1. Policy Status: Not Applicable:
 2. BBB Priority: Children and Young People:
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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: £20,665k
 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

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

The Schools' Budget

- 3.1 An element of the Education budget within Education and Care Services (ECS) department is classed as Schools budget and is funded by the Dedicated schools Grant (DSG) this is projected to underspend by £1,091,000. Legislation requires that any variance should be carried forward to the next financial year. Details are contained within Appendix 2.

The Non-Schools' Budget

- 3.2 An element of the Education budget within ECS is classed as Non Schools Budget and this is projected to underspend by £1,817,000. Details are contained within Appendix 2.
- 3.3 Costs attributable to individual services have been classified as “controllable” and “non-controllable” in Appendix 1a. Budget holders have full responsibility for those budgets classified as “controllable” as any variations relate to those factors over which the budget holder has influence and control. “Non-controllable” budgets are those which are managed outside of individual budget holder’s service and, as such, cannot be directly influenced by the budget holder in the shorter term. These include for example cross departmental recharges and capital financing costs. This ensures clear accountability by identifying variations within the service that controls financial performance. Members should specifically refer to the “controllable” budget variations relating to portfolios in considering financial performance.

4. POLICY IMPLICATIONS

- 4.1 The Resources Portfolio Plan includes the aim of effective monitoring and control of expenditure within budget and includes the target that each service department will spend within its own budget.
- 4.2 Bromley’s Best Value Performance Plan “Making a Difference” refers to the Council’s intention to remain amongst the lowest Council Tax levels in Outer London and the importance of greater focus on priorities.
- 4.3 The four year financial forecast report highlights the financial pressures facing the Council. It remains imperative that strict budgetary control continues to be exercised in 2012/13 to minimise the risk of compounding financial pressures in future years.
- 4.4 Chief Officers and Departmental Heads of Finance are continuing to place emphasis on the need for strict compliance with the Council’s budgetary control and monitoring arrangements.

5. FINANCIAL IMPLICATIONS

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

Savings found early for 2013/14

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

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

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