

EDUCATION BUDGET SUB-COMMITTEE

Minutes of the meeting held at 7.00 pm on 8 January 2013

Present:

Councillor Neil Reddin FCCA (Chairman)
Councillor Nicky Dykes (Vice-Chairman)
Councillors Nicholas Bennett J.P., Lydia Buttinger and
David McBride

Councillor Pauline Tunnicliffe, Executive Support Assistant to
Portfolio Holder for Education

Also Present:

Dr Tessa Moore, Assistant Director: Education
David Bradshaw, Head of Education and Care Services Finance

1 APOLOGIES FOR ABSENCE

There were no apologies.

2 DECLARATIONS OF INTEREST

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

3 QUESTIONS FROM MEMBERS OF THE PUBLIC ATTENDING THE MEETING

No questions had been received from members of the public.

4 MINUTES OF THE MEETING HELD ON 25TH SEPTEMBER 2012 AND MATTERS ARISING

The Chairman noted that a number of the issues arising from the minutes would be considered during the meeting.

RESOLVED that the minutes of the meeting held on 25th September 2012 be agreed.

5 CAPITAL PROGRAMME - 2ND QUARTER MONITORING 2012/13

Report RES12206

On 24th October 2012, the Executive received the 2nd quarterly capital monitoring report for 2012/13 and agreed a revised Capital Programme for the four year

period 2012/13 to 2015/16. The Sub-Committee considered a report highlighting the changes agreed by the Executive in respect of the Capital Programme for the Education Portfolio.

In considering the capital monitoring report, Councillor Nicholas Bennett JP noted that spend of £407k was attributed to a range of Primary Capital Programme schemes and asked for further information on these schemes to be provided to the Sub-Committee. Councillor Nicholas Bennett JP also requested that an additional column providing the original estimate for cost of schemes be included in the Capital Programme in future.

Another Member queried the virement of £600k from the budget for Capital Maintenance in schools to the budgets for Seed Challenge Fund, Security Works in Schools and Suitability/Modernisation Issues. The Head of Education and Care Services Finance confirmed that this virement had been used for several years to fund a Seed Challenge and Security Works grant scheme that maintained schools could apply to for match funding of capital schemes.

RESOLVED that the revised capital programme agreed by the Executive on 24th October 2012 be recommended to the Education Portfolio Holder for approval.

6 EDUCATION PORTFOLIO BUDGET MONITORING REPORT 2012/13

Report ED13002

The Sub-Committee considered a report setting out the budget monitoring position for the Education Portfolio based on expenditure to the end of November 2012. The Schools' Budget, funded from the Dedicated Schools' Grant and specific grants, was forecast to spend in line with budget. The controllable part of the Non-Schools' Budget, funded from Council Tax, Revenue Support and specific grants, was forecast to be in an underspend position of £1,817,000.

The Chairman noted that Education Commissioning and Business Services had an underspend of £343k, primarily due to 8 vacant posts not being filled. The Assistant Director: Education confirmed that following a restructure, the work undertaken by this team would now be delivered by the Central Commissioning Team and Bromley Adult Education College. Councillor Nicholas Bennett JP requested that a breakdown of income for Education Commissioning and Business Services for 2012/13 be provided to the next meeting of Education Budget Sub-Committee.

In considering an overspend of £51k in the Access and Admissions Service attributed to lower levels of staff turnover than budgeted for and printing of brochures, posters and application forms, the Assistant Director: Education confirmed that the overspend was partially due to the purchasing of licenses to support online schools admissions which would be an ongoing cost. Councillor Nicholas Bennett JP highlighted the need to move to print-on-demand for printed

materials where appropriate and requested that a breakdown of current spend on brochures, posters and application forms be provided to a future meeting of the Education PDS Committee.

RESOLVED that:

- 1) The latest 2012/13 budget projection for the Education Portfolio be noted; and,**
- 2) The Education Portfolio Budget Monitoring Report 2012/13 be recommended to the Education Portfolio Holder for approval.**

7 EDUCATION PORTFOLIO BUDGET 2013/14

Report ED13005

The Sub-Committee considered a report setting out the draft Education Portfolio Budget 2013/14, which incorporated future cost pressures and initial draft saving options reported to Executive on 9th January 2013. Members were requested to consider the proposed savings and identify any further action to be taken to reduce the cost pressures facing the Council over the next four years.

Members of the Sub-Committee considered the draft 2013/14 budget. In considering the statutory Children's Information Service, which would be subsumed into a wider advice service targeted to parents in areas of deprivation, the Chairman noted that a wide range of information was available to parents via the internet and other sources.

A Member highlighted the proposed deletion of one post in the Education Psychology Service. The Assistant Director: Education confirmed that this service would continue to provide a statutory service to maintained schools through the remaining post as well as offer a limited amount of additional support to schools as part of a sold service. A Member was concerned that any reduction in service might impact other areas of Special Educational Needs funding. Another Member noted that there might be an increase in privately funded assessments by independent Education Psychologists. The Assistant Director: Education confirmed that independent assessments were challenged if the Local Authority did not agree, and that robust scrutiny of statementing by the Local Authority had slowed the increase in statements issued. Increases were in proportion with the number of pupils with complex needs.

Members were generally concerned at changes to the Local Authority Central Spend Equivalent Grant (LACSEG) in respect of funding academies and Local Authorities. The change in funding aimed to use a national average rate of £132 per pupil which would be removed from the Local Authority in respect of every pupil. This amounted to a top slice from funding of £6.581m. The Local Authority, through the Education Support Grant (ESG), would be provided with £15 per pupil for all pupils regardless of where they attended school to fund statutory duties. In addition the Local Authority would receive £116 per pupil for each pupil attending a

maintained school. As the Council was a low cost Local Authority with a high academy conversion rate, it would be detrimentally affected. Currently a top slice of Revenue Support Grant of £1.46m was taken from Bromley annually and early indications were that Bromley was likely to lose a further £3.3m in addition to the current top slice for 2013/14. It was noted that Members and Officers had been in discussion with Ministers and Officers at the Department for Education to mitigate the impact of this loss and to look at alternate ways to manage funding. A briefing note on changes to the Local Authority Central Spend Equivalent Grant would be provided to the next meeting of the Sub-Committee.

It was noted that changes had been made to the Dedicated Schools Grant with a new national funding formula to be introduced from 2015/16 which would ensure that similar pupils attracted similar levels of funding across the country. To prepare for this change, the Department for Education had been working to simplify the local funding arrangements for 2013/14 and 2014/15, and to introduce a new approach to high needs funding that would help to improve transparency, quality and choice for young people and their families. Bromley currently attracted around £220m in Dedicated Schools Grant.

RESOLVED that:

- 1) The financial forecast for 2013/14 to 2015/16 be noted;**
- 2) Members' comments on the initial draft saving options proposed by the Executive for 2013/14 be noted; and,**
- 3) Members' comments on the initial draft 2013/14 Education Portfolio Budget be provided to the meeting of the Executive on 6th February 2013.**

8 EDUCATION PORTFOLIO HOLDER INFORMATION ITEMS

Report ED13003

The Committee considered an information briefing outlining Section 106 agreements that had been made with developers for the benefit of future occupants of new developments and existing residents in surrounding areas. The total amount of Section 106 agreement funds allocated to the Education Portfolio for capital schemes was £1,689k, of which £566k was currently available to be invested. The remaining funds had yet to be released to the Local Authority.

In considering the current Education Portfolio S106 agreements, Members were advised that conditions could apply to some S106 agreements, such as the proximity of the proposed investment to the development. It was also noted that there had been disputes with some developers around the amount of S106 agreement funds to be paid.

The Head of Education and Care Services Finance advised the members of the Sub-Committee that Section 106 agreement funds would be replaced by the

Community Infrastructure Levy, which would be used to support development through funding infrastructure to benefit the local community.

Further information regarding how S106 agreement funds were divided between Education and other areas of spend such as Environment, and how the Community Infrastructure Levy would operate would be provided to the next meeting of the Sub-Committee.

RESOLVED that the information briefing be noted.

9 ANY OTHER BUSINESS

The Head of Education and Care Services Finance outlined planned expenditure at Manor Oak Primary School. This expenditure sought to upgrade and remodel the Children's Centre to accommodate the current nursery, introduce new places for two year olds from September 2013 and provide an increased outdoor offer for the nursery provision. The Assistant Director: Education noted that the Local Authority had a statutory obligation to provide nursery places for 20% of two year olds from September 2013, but that this requirement would also be met through an increased offer by private providers across the Borough.

RESOLVED that the issues raised be noted.

10 DATE OF NEXT MEETING

The next meeting of Education Budget Sub-Committee would be held at 7.00pm on Wednesday 13th February 2013.

The Meeting ended at 8.07 pm

Chairman