

2013/14 Actuals £'000	Division Service Areas	2014/15 Original Budget £'000	2014/15 Latest Approved £'000	2014/15 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
EDUCATION CARE & HEALTH SERVICES DEPARTMENT								
Education Division								
Cr 401	Adult Education Centres	Cr 602	Cr 602	Cr 372	230	1	0	230
275	Alternative Education and Welfare Service	104	104	104	0		0	0
412	Schools and Early Years Commissioning & QA	565	565	565	0		0	0
4,451	SEN and Inclusion	4,772	4,772	4,772	0		0	0
213	Strategic Place Planning	255	255	255	0		0	0
11	Workforce Development & Governor Services	11	11	11	0		0	0
Cr 2,957	Education Services Grant	Cr 2,732	Cr 2,732	Cr 2,732	0	2	0	166
Cr 1,415	Schools Budgets	Cr 1,493	Cr 1,493	Cr 1,493	0	3	0	0
160	Other Strategic Functions	158	158	158	0		0	0
0	Early Years	0	0	0	0		0	0
0	Primary Schools	0	0	0	0		0	0
0	Secondary schools	0	0	0	0		0	0
0	Special Schools & Alternative Provision	0	0	0	0		0	0
0	Post-16 Provision	0	0	0	0		0	0
749		1,038	1,038	1,268	230		0	396
Children's Social Care								
1,790	Bromley Youth Support Programme - (Youth Svce)	1,468	1,468	1,558	90	4	0	0
1,889	Referral and Assessment Children's Centres	2,143	2,143	2,143	0		0	0
3,679		3,611	3,611	3,701	90		0	0
4,428	TOTAL CONTROLLABLE FOR EDUCATION - ECHS	4,649	4,649	4,969	320		0	396
9,221	Total Non-Controllable	5,096	5,096	5,092	Cr 4		0	0
3,802	Total Excluded Recharges	3,386	3,386	3,386	0		0	0
17,451	TOTAL EDUCATION PORTFOLIO - ECHS	13,131	13,131	13,447	316		0	396
Memorandum Item								
Sold Services								
	Education Psychology Service (RSG Funded)	Cr 23	Cr 23	Cr 23	0	}		0
	Education Welfare Service (RSG Funded)	Cr 39	Cr 39	Cr 39	0			0
	Behaviour Support (Secondary) (RSG Funded)	Cr 61	Cr 61	Cr 61	0			0
	Workforce Development (DSG/RSG Funded)	Cr 8	Cr 8	Cr 8	0			0
	Governor Services (DSG/RSG Funded)	Cr 7	Cr 7	Cr 7	0			0
	Community Vision Nursery (RSG Funded)	0	0	0	0			0
	Blenheim Nursery (RSG Funded)	0	0	0	0			0
	Business Partnerships (RSG Funded)	0	0	0	0			0
	Total Sold Services	Cr 138	Cr 138	Cr 138	0		0	0

1. Adult Education - Dr £230k

The final grant allocation for the 2014/15 academic year has only recently been received from the Skills Funding Agency (SFA), and a detailed plan of how the service will aim to meet the further reduction in grant, and the expected continued decline in tuition fee income has not yet been finalised.

The total SFA grant allocation for the 2014/15 financial year is around £40k less than that in 2013/14. Due to the difficulties the service experienced trying to reduce costs to the same extent that the grant/fee income reduced in 2013/14, resulting in an outturn of £230k overspent, it is currently anticipated that a similar, if not larger overspend will occur this year.

2. Education Services Grant - Dr £0k

Current projections for the Education Services Grant (ESG) allocation is £422k less than budget. The ESG allocation is re-calculated on a quarterly basis, so the grant reduces in-year as schools convert to academies. The current projection is based on the 3 conversions on 1st April 2014, with a further 11 conversions approved by DfE, including the PRU, all expected to convert before September 2014. The projection also includes a further 3 conversions which DfE has either received an application for, or are deemed likely to occur. The full year effect of these 17 conversions is £588k. It is assumed that the shortfall will be drawn down from the contingency to cover this off

3. Schools Budgets (no impact on General Fund)

Current projections for SEN placements show a continuance of the significant underspend in 2013/14, primarily due to lower than budgeted numbers of children, combined with the maintained lower average costs.

SEN support costs for students in further education establishments, for which funding and responsibility transferred to the authority for the first time in September 2013, is currently expected to underspend by £174k.

The 2014/15 budget included a sum of £600k to be allocated to early years providers. Unfortunately the funding regulations no longer allow us to make in year changes to the early years funding formula, so this amount will remain unspent.

The underspends above are partly offset by a continued increase in the requirement for bulge classes, resulting in an overspend of £476k on the £1m budget.

A major pressure areas in 2013/14 was Free Early Education (FEE) provision for 3 and 4 year olds, with an outturn of £529k overspend. This was more than offset by the underspend on FEE provision for 2 year olds, however this is not likely to re-occur to the same extent, as the authority moves towards the government's target of 40% uptake by September 2014. Accurate projections won't be possible until the final payments are made for the summer term, however an overspend is not anticipated as £1.3m budget growth was added for 2014/15.

	Variations	
	£'000	
SEN Placements	Cr	987
SEN Support in FE colleges	Cr	174
Early years inclusion support	Cr	600
Bulge classes		476
	Cr	1,285

4. Youth Service - Dr £90k

Savings of £360k have been applied to the BYSP budget. The majority of the savings will be achieved through the realigning and repositioning of the Youth Services (universal and targeted). During this process there has been a staff consultation which was recently been completed and the revised staff establishment will be implemented from the end of July. This will result in a one-off in-year overspend of £90k.

5. 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 £100,000) approval of the Portfolio Holder, and report use of this exemption to Audit Sub committee bi-annually. No waivers have been approved since the last report to the Executive.

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, a virement for £7,200 to fund statutory training for Education Welfare Officers has been approved.

FULL YEAR EFFECTS 2015/16

Description	2014/15 Latest Approved Budget £'000	Variation To 2014/15 Budget £'000	Potential Impact in 2015/16
Education Services Grant	Cr 2,732	0	The Education Services Grant (ESG) is allocated on the basis of pupil numbers, and grant reduces in-year as schools convert to academies. Current projections are based on the 3 conversions on 1st April 2014, with a further 11 conversions approved by DfE, including the PRU, all expected to convert before September 2014. The projection also includes a further 3 conversions which DfE has either received an application for, or are deemed likely to occur. The full year effect of these 17 conversions is £588k. Assuming that the in year shortfall of £422k is drawn down from contingency this reduces to £166k
Adult Education	Cr 602	230	The current projected overspend for the Adult Education Service has continued from 2013/14, and is expected to continue into 2015/16. The service has indicated that they will plan for further efficiency savings, however the indicative grant allocation is a £40k reduction from 2013/14. In addition a continued decline in tuition fee income is expected.

Division Service Areas	RSG						DSG						
	Original Budget	Revised Budget	Projection	Variation	Last Reported Variation	FYE	Original Budget	Revised Budget	Projection	Variation	Last Reported Variation	FYE	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Education Division													
Adult Education Centres	1 Cr 602	Cr 602	Cr 372	230	0	230	0	0	0	0	0	0	0
Alternative Education and Welfare Service	104	104	104	0	0	0	1,521	1,521	1,521	0	0	0	0
Schools and Early Years Commissioning & QA	565	565	565	0	0	0	15,919	15,917	15,317	Cr 600	0	0	0
SEN and Inclusion	4,772	4,772	4,772	0	0	0	23,740	22,747	21,586	Cr 1,161	0	0	0
Strategic Place Planning	255	255	255	0	0	0	276	276	276	0	0	0	0
Workforce Development & Governor Services	11	11	11	0	0	0	106	106	106	0	0	0	0
Education Services Grant	2 Cr 2,732	Cr 2,732	Cr 2,732	0	0	166	0	0	0	0	0	0	0
Schools Budgets	3 Cr 1,493	Cr 1,493	Cr 1,493	0	0	0	Cr 118,896	Cr 112,241	Cr 111,765	476	0	0	0
Other Strategic Functions	158	158	158	0	0	0	0	0	0	0	0	0	0
Early Years	0	0	0	0	0	0	1,085	0	0	0	0	0	0
Primary Schools	0	0	0	0	0	0	55,100	55,134	55,134	0	0	0	0
Secondary schools	0	0	0	0	0	0	2,751	3,201	3,201	0	0	0	0
Special Schools & Alternative Provision	0	0	0	0	0	0	16,353	11,294	11,294	0	0	0	0
Post-16 Provision	0	0	0	0	0	0	0	0	0	0	0	0	0
	1,038	1,038	1,268	230	0	396	Cr 2,045	Cr 2,045	Cr 3,330	Cr 1,285	0	0	0
Children's Social Care													
Bromley Youth Support Programme - (Youth Services)	4 1,468	1,468	1,558	90	0	0	0	0	0	0	0	0	0
Referral and Assessment Childrens Centres	2,143	2,143	2,143	0	0	0	0	0	0	0	0	0	0
	3,611	3,611	3,701	90	0	0	0	0	0	0	0	0	0
TOTAL CONTROLLABLE	4,649	4,649	4,969	320	0	396	Cr 2,045	Cr 2,045	Cr 3,330	Cr 1,285	0	0	0
TOTAL NON CONTROLLABLE	5,096	5,096	5,092	Cr 4	0	0	90	90	90	0	0	0	0
TOTAL EXCLUDED RECHARGES	3,386	3,386	3,386	0	0	0	1,402	1,402	1,402	0	0	0	0
PORTFOLIO TOTAL	13,131	13,131	13,447	316	0	396	Cr 553	Cr 553	Cr 1,838	Cr 1,285	0	0	0

BUDGET VARIATIONS - ALLOCATIONS FOR 2014/15

Reconciliation of Final Budget	£'000
Original Budget 2014/15	13,131
SEN Reform Grant Income	Cr 382
SEN Reform Grant Expenditure	382
Latest Approved Budget for 2014/15	<u>13,131</u>