

EDUCATION BUDGET SUB-COMMITTEE

Minutes of the meeting held at 7.00 pm on 20 October 2015

Present:

Councillor Neil Reddin FCCA (Chairman)
Councillor Teresa Ball (Vice-Chairman)
Councillors Kathy Bance MBE and Russell Mellor

Councillor Peter Fortune, Portfolio Holder for Education
Councillor Tom Philpott, Executive Support Officer to the Portfolio Holder for Education

Also Present:

Jane Bailey, Director: Education
James Mullender, Finance Manager

10 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Alan Collins and Councillor Ellie Harmer.

Apologies for absence were also received from Councillor Nicholas Bennett JP and Councillor Russell Mellor attended as his substitute.

11 DECLARATIONS OF INTEREST

The Chairman noted that Declarations of Interest made by Members at the meeting of Education PDS Committee on 8th July 2015 were taken as read.

12 QUESTIONS FROM MEMBERS OF THE PUBLIC ATTENDING THE MEETING

No questions had been received from members of the public.

13 MINUTES OF THE MEETING HELD ON 30TH JUNE 2015 AND MATTERS OUTSTANDING

In considering matters outstanding from previous meetings, the Finance Manager confirmed that there had been a total overspend of £11k for Governor Services training for 2014/15, when additional income of £13k that was received in 2013/14 was taken into account. The future provision of Governor Services was currently being reviewed as part of the commissioning process for Education Services.

RESOLVED that the minutes of the meeting held on 30th June 2015 be agreed.

14 EDUCATION PORTFOLIO BUDGET MONITORING 2015/16

Report ED15120

The Sub-Committee considered a report setting out the budget monitoring position for the Education Portfolio based on the projected outturn position for 2015/16. The Schools' Budget, funded from Dedicated Schools' Grant and specific grants was projected to be in an underspend position of £75k, which would be added to the £9.9m Dedicated Schools Grant carried forward from previous years, much of which would be spent during 2015/16 with £3m agreed for the refurbishment of Beacon House, £3.5m as a one-off distribution to schools and £2m to contain growth for two years. The controllable part of the Non-Schools' Budget, funded from Council Tax, Revenue Support and specific grants was projected to be in an overspend position of £529k, which included a significant overspend in the Adult Education Service.

Members were advised that despite a restructure of the Adult Education Service in 2012/13 and several other measures to contain a reduction in grant received from the Skills Funding Agency in recent years, the current projection was for a 382k overspend in the Adult Education Service for 2015/16, for which the Council's Executive was requested to approve a supplementary estimate of £382k with any surplus to be returned to the Central Contingency. Consultation was underway on a proposed restructure of the Adult Education Service to reduce any future overspend, however further grant reductions from the Skills Funding Agency were expected for the 2016/17 and 2017/18 academic years.

In considering the report, the Chairman underlined the need to ensure that the level of recharges attributed to the Adult Education Service was reduced in line with any future restructure of the Adult Education Service. Another Member requested that information regarding the level of recharges to the Adult Education Service be included in future reports setting out the budget monitoring position for the Education Portfolio.

RESOLVED that:

- 1) The latest 2015/16 budget project for the Education Portfolio be noted; and,**
- 2) The Portfolio Holder for Education be recommended to:**
 - i) Endorse the 2015/16 budget projection for the Education Portfolio.**
 - ii) Request the Council's Executive approve a supplementary estimate of £382k from the Central Contingency relating to the projected overspend in the Adult Education Service for 2015/16.**

15 CAPITAL PROGRAMME MONITORING - 1ST QUARTER 2015/16

Report FSD15062

On 15th July 2015, the Council's Executive received the 1st quarterly capital

monitoring report for 2015/16 and agreed a revised Capital Programme for the five year period 2015/16 to 2018/19. The 2014/15 Capital Outturn had been reported to the Executive on 10th June 2015. The final capital outturn for Education Portfolio schemes was £13,428k compared to a revised budget of £12,669k approved by the Council's Executive on 11th February 2015, which was an overspend of £759k. The Basic Need Scheme, which was funded by the Department for Education, had an overspend of £1.6m against a budget of £5.7m due to acceleration in the programme of works. This was partly offset by underspends on other schemes, including Capital Maintenance and Building Schools for the Future and after allowing for minor adjustments, a total of £765k had been re-phased into 2015/16.

RESOLVED that the revised Capital Programme agreed by the Council's Executive on 15th July 2015 be recommended to the Portfolio Holder for Education for approval.

16 EXPENDITURE ON CONSULTANTS 2014/15 AND 2015/16

Report CSD15106D

On 3rd September 2015, the Executive and Resources PDS Committee received a report setting out details of expenditure across the Local Authority on consultants for the financial years 2014/15 and 2015/16 to date, covering both revenue and capital budgets, and requested that this information be referred to all other PDS Committees for Members' consideration.

In considering the expenditure on consultants within the Education Portfolio for the financial years 2014/15 and 2015/16 to date, the Portfolio Holder for Education noted that as the Local Authority moved towards becoming a commissioning authority, it was important to ensure that work be undertaken to identify the best way to purchase consultancy services where it was required and consider how value could most effectively be scrutinised.

A Member emphasised that the Local Authority prided itself on its high quality, experienced in-house staff and queried if the use of consultants was always necessary. The Director: Education confirmed that the use of consultants was limited to the delivery of specific pieces of work that required specialist knowledge or where there was no capacity to carry out the work through in-house staff. There had been no cases within the Education Portfolio where a previous staff member had been made redundant and subsequently re-employed as a consultant.

RESOLVED that the report be noted.

17 EDUCATION PORTFOLIO INFORMATION ITEMS

a) DEDICATED SCHOOLS GRANT REDUNDANCY RESERVE

Briefing ED15121

The Sub-Committee considered an information briefing providing an update on the status of the creation of a Dedicated Schools' Grant Redundancy

Reserve following the meeting of the Schools' Forum on 24th September 2015.

In considering Item 6: Education Portfolio Outturn Report 2014/15 at the meeting of the Education Budget Sub-Committee on 30th June 2015, Members had been advised that it was proposed for £300k of Dedicated Schools Grant to be set aside as a Redundancy Reserve to meet some of the costs that might arise as a result of any future reorganisation within Dedicated Schools Grant funded Education Services, with any unspent amount to be returned to the Schools' budget. This proposal had been considered at the meeting of Schools' Forum on 24th September 2015 where the legal position around the potential use of Dedicated Schools Grant had been clarified and it had been discussed at length. Whilst some Members of the Schools' Forum had been in support of the proposal, the final decision was that the proposal not be supported. Although many funding decisions were made by the Local Authority following consultation with the Schools' Forum and could be made without the support of Schools' Forum, in this case the regulations specifically required the approval of Schools' Forum and the decision could therefore not be taken forward at this time. This did not preclude the agreement of the charging of redundancy costs to Dedicated Schools Grant by the Schools' Forum on a case-by-case basis.

In considering the information briefing, the Portfolio Holder for Education underlined the need to work closely with the Schools' Forum to ensure a joined-up approach on matters relating to schools' funding into the future.

In response to a question from the Chairman, the Finance Manager confirmed that the use of the Dedicated Schools' Grant towards the funding of services such as special educational needs transport was limited, but that the regulations allowed Dedicated Schools Grant to be used to fund certain services, such as the cost of special educational needs transport where the Local Authority had reduced the cost of specialist education placements by building capacity in schools within the Borough. It was currently projected that there would be a £343k overspend in special educational needs transport for 2015/16, and following the introduction of the new framework agreement and route changes from September 2015, it was intended to report updated projections to the Council's Executive at its meeting on 2nd December 2015.

RESOLVED that the information briefing be noted.

b) CONTRACT MONITORING REPORT

Briefing ED15124

The Sub-Committee considered an information briefing providing an update on the status of all contracts with a whole life value of £200k and above within the Education Portfolio. It was noted that only a single contract had received more than one extension, and that this had been due to a change in the scope of the projects within the contract.

In considering the information briefing, the Chairman highlighted that the new Public Contracts Regulations 2015 had meant significant changes to tendering exercises undertaken within Education, Care and Health Services, and that Education, Care and Health Services were now covered by the 'Light Touch Regime' which might potentially realise future cost savings.

In response to a question from a Member, the Director: Education confirmed that the Education, Care and Health Services Procurement Team, which undertook specialist procurement of services such as social care, was separate to the main Procurement Team but worked closely with it and that there was no duplication of work.

RESOLVED that the information briefing be noted.

18 ANY OTHER BUSINESS

There was no other business.

19 DATE OF NEXT MEETING

The next meeting of Education Budget Sub-Committee would be held at 7.00pm on Tuesday 5th January 2016.

The Meeting ended at 7.35 pm

Chairman