

Committee	Dated:
Education Board	3 December 2015
Subject: Revenue Budgets 2016/17	Public
Report of: The Chamberlain Director of Community & Children's Services	For Decision

Summary

This report is the annual submission of the revenue budgets overseen by your Committee. In particular it seeks approval to the provisional revenue budget for 2016/17, for subsequent submission to the Finance Committee. The budgets have been prepared within the resources allocated to the Director.

The provisional nature of the revenue budgets particularly recognises that specific allocation of funding to Academies and central support services has yet to be agreed by this Committee.

Summary Of Table 1	Latest Approved Budget 2015/16 £'000	Original Budget 2016/17 £'000	Movement £'000
Expenditure	1,050	1,000	(50)
Total Net Expenditure	1,050	1,000	(50)

Overall, the 2016/17 provisional revenue budget totals £1m, a decrease of £50,000 when compared with the Latest Approved Budget for 2015/16. The variance relates to expenditure funded from the previous years underspend which is not included in 2016/17.

Recommendations

The Committee is requested to:

- review the provisional 2016/17 revenue budget to ensure that it reflects the Committee's objectives and, if so, approve the budget for submission to the Finance Committee;

- authorise the Chamberlain to revise these budgets to allow for further implications arising from the agreement by this Committee of specific allocations of funding to Academies and Central Support Services;

Main Report

Introduction

1. The Education Board is responsible for reviewing the strategy and making recommendations to Committees and the Court as appropriate on the delivery of the City Corporations vision and strategic objectives in this area. The Board will also have responsibility for distributing funds allocated to it for educational purposes. In addition it will be responsible for the City academy schools and the City Corporations role as a school sponsor.
2. This report sets out the proposed revenue budget budgets for 2016/17. The revenue budget management arrangements are to:
 - Provide a clear distinction between local risk, and central risk.
 - Place responsibility for budgetary control on departmental Chief Officers
 - Apply a cash limit policy to Chief Officers' budgets
3. The budget has been analysed by service expenditure and compared with the latest approved budget for the current year.
4. The report also compares the current year's budget with the forecast outturn.

Education Strategy 2013-2015 – Strategic Objectives

The Education Strategy established five Strategic objectives, namely:

- To promote and support excellent education and access to higher education.
- To strive for excellence in the City schools.
- To inspire children through an enriched education and outreach opportunities.
- To promote an effective transition from education to employment.
- To explore opportunities to expand the City's education portfolio and influence on education throughout London.

These objectives are currently being refreshed for 2016-19 and will be finalised early next year.

Proposed Revenue Budget for 2016/17

5. The proposed Revenue Budget for 2016/17 is shown in Table 2 analysed between:

- Local Risk budgets – these are budgets deemed to be largely within the Chief Officer’s control.
- Central Risk budgets – these are budgets comprising specific items where a Chief Officer manages the underlying service, but where the eventual financial outturn can be strongly influenced by external factors outside of his/her control or are budgets of a corporate nature (e.g. interest on balances and rent incomes from investment properties).

6. The provisional 2016/17 budgets, under the control of the Director of Community & Children’s Services being presented to your Committee, have been prepared in accordance with guidelines agreed by the Policy and Resources and Finance Committees.

Analysis of Service Expenditure	Local or Central Risk	Actual 2014-15 £'000	Latest Approved Budget 2015-16 £'000	Original Budget 2016-17 £'000	Movement 2015-16 to 2016-17 £'000	Para Ref
EXPENDITURE						
Employees	L	32	141	152	11	8
Supplies and Services	L	117	279	268	(11)	
Academy funding	C	500	630	580	(50)	
TOTAL NET EXPENDITURE		649	1,050	1,000	(50)	

7. The variance relates to expenditure funded from a previous years underspend which is included within the 2015-16 Latest Approved Budget but not the 2016-17 budget.

Potential Further Budget Developments

9. The provisional nature of the 2016/17 revenue budget recognises that further revisions may be required, including in relation to:

- Agreement of the specific allocation of grants to Academies and the allocation of funding to support services with the £1m 2016/17 budget.

Revenue Budget 2014/15

10. The forecast outturn for the current year is a small underspend of the Latest Approved Budget of £1,050k

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