

REPORT OF THE DIRECTOR OF CHILDREN'S SERVICES**SCHOOLS BUDGET OUTTURN 2007-08****Executive Summary**

1.0 The provisional year end accounts indicate that there is a surplus of Dedicated Schools Grant (DSG) of £527,000. This has arisen from:

- a difference between the estimated and final DSG of £441,000 (as reported on 7th June 2006 and included in the 2007-08 Budget)
- an underspend against central expenditure budgets within the overall schools budget of £86,000.

A decision is needed to determine if the underspend should be carried forward into 2007-08 or 2008-09 and how it should be applied to the budget.

Outturn Variations

2.0 Appendix 1 compares the outturn with the Schools Budget. These are provisional figures and are subject to audit.

The main variations are set out below :

| | Variation £000 |
|---|-------------------|
| Central SEN budgets – including statements, WASP,OLEA and Independent Special Schools | 160 |
| Schools Specific Contingencies | (159) |
| School Meals | (87) |
| | <hr/> |
| | (86) |
| Dedicated Schools Grant | <hr/> |
| | (441) |
| | <hr/> |
| | (527) |
| | <hr/> |

WASP has incurred costs in excess of its budget this year. The opening of the skills centre was delayed, income from schools was less than expected and additional course expenditure was incurred. The business plan is currently being reviewed.

The underspend on contingencies has arisen having taken account of the agreed costs of closing schools – school deficits at the Dell and Vyner and redundancy/severance costs. In addition the budget has received £17,850 from a restricted school balance at one Primary school (in accordance with the Scheme for Financing Schools.)

The net cost of the school meal service has reduced from £340,000 to £253,000. This has been achieved after a 5% drop in the overall number of meals provided. The improvement however is the result of short term savings in the purchase and repair of kitchen equipment. This can not be continued into 2007-08.

School Balances

3.0 The position on school balances carried forward at the end of the year shows an increase from £7m to just below £10m. This is summarised below:

| | 2006-07 £000 | 2007-08 £000 | Increase £000 | % |
|-----------|-----------------|-----------------|------------------|-----------|
| Nursery | 177 | 286 | 109 | 62 |
| Primary | 3,315 | 3,919 | 604 | 18 |
| Secondary | 2,908 | 4,932 | 2,024 | 70 |
| Special | 605 | 795 | 190 | 31 |
| Total | <u>7,005</u> | <u>9,932</u> | <u>2,927</u> | <u>42</u> |

The balances include Standards Funds to be spent by 31st August.

This is a significant increase at a time when there is increasing concern about the level of unspent reserves. The position will be analysed over the summer and reported to the next Forum meeting.

Recommendation

4.0 That the Schools Forum agree to the unspent DSG of £86,000 being carried forward into 2007-08 and used to increase central Schools Specific Contingencies as a “one off” resource.

Howard Cooper
Director of Education & Cultural Services

| | Budget £ | Actual £ | £ |
|--|---------------------|---------------------|----------------|
| EA305 - SCHOOLS | | | |
| EA457 - Primary Schools | 71,264,300 | 71,704,065 | |
| EA458 - Primary Grant Devolved | -3,301,300 | -3,301,302 | |
| EA459 - Secondary Schools | 92,555,000 | 91,980,325 | |
| EA460 - Secondary School Devolved | -19,608,300 | -19,472,377 | |
| EA461 - Special Schools | 12,701,000 | 12,700,929 | |
| EA462 - Special Grant Devolved | -424,100 | -424,079 | |
| EA463 - Nursery Schools | 1,118,400 | 1,116,849 | |
| EA464 - Nursery Grant Devolved | -44,200 | -44,227 | |
| EA305 - SCHOOLS Total | 154,260,800 | 154,260,183 | -617 |
| EA306 - NON DELEGATED SCHOOL COSTS | | | |
| EA425 - Foreign Language Assists | 0 | -4,425 | -4,425 |
| EA428 - School Meals | 340,700 | 253,749 | -86,951 |
| EA440 - Looked After Child Educ Serv | 393,400 | 393,400 | 0 |
| EA465 - Statements | 2,851,100 | 2,787,367 | -63,733 |
| EA466 - Support For SEN | 1,752,100 | 1,652,824 | -99,276 |
| EA467 - WASP | 746,700 | 1,003,193 | 256,493 |
| EA468 - Education Out Of School | 116,900 | 80,945 | -35,955 |
| EA469 - OLEA | 210,600 | 231,249 | 20,649 |
| EA470 - Early Years | 3,875,400 | 3,891,058 | 15,658 |
| EA471 - Childrens Centres | 0 | 0 | 0 |
| EA472 - Indep Special School Fees | 2,870,000 | 2,953,697 | 83,697 |
| EA474 - Library Service | 186,500 | 193,333 | 6,833 |
| EA475 - Licences & Subs | 53,900 | 59,118 | 5,218 |
| EA476 - Insurances | -47,000 | -24,163 | 22,837 |
| EA477 - Admissions | 375,700 | 375,555 | -145 |
| EA478 - School Specific Contingencies | 1,239,500 | 1,079,326 | -160,174 |
| EA479 - Special Staff Costs | 766,100 | 708,025 | -58,075 |
| EA480 - Schools Forum | 10,200 | 254 | -9,946 |
| EA481 - Miscellaneous | 35,700 | 54,566 | 18,866 |
| EA306 - NON DELEGATED SCHOOL COSTS Total | 15,777,500 | 15,689,071 | -88,429 |
| EA308 - NON DEVOLVED GRANT/FUNDED EXPENDITURE | | | |
| EA482 - Standards Fund | 372,000 | 374,890 | |
| EA483 - Other Specific Grants | 0 | 0 | |
| EA484 - Cap Exp From Revenue | 106,700 | 106,700 | |
| EA308 - NON DEVOLVED GRANT/FUNDED EXPENDITURE Total | 478,700 | 481,591 | 2,891 |
| EA307 - DEDICATED SCHOOLS GRANT | | | |
| EA485 - Dedicated School Grant | -170,517,000 | -170,430,846 | 86,154 |
| NET EXPENDITURE | 0 | 0 | |