

WIRRAL COUNCIL

SCHOOLS FORUM – 25th SEPTEMBER 2012

REPORT OF ACTING DIRECTOR OF CHILDREN'S SERVICES

BREECH OF CENTRAL EXPENDITURE LIMIT 2012-13 SCHOOLS BUDGET

1.0 EXECUTIVE SUMMARY

1.1 This report confirms a breach in the Central Expenditure Limit for 2012-13 amounting to £741,000.

2.0 BACKGROUND

The Central Expenditure Limit is the limit the authority can retain from the Schools Budget and spend centrally on behalf of schools. The increase (or decrease) should match overall increases or decreases in delegated school budgets, unless a change has been agreed by the Schools Forum.

Although a breach was not intended at the time the budget was set, the limit has been exceeded.

The reasons are mainly due to the reduction in delegated school budgets resulting from Academy Transfers (£36m at the start of the year). As a result the ISB has reduced by 18% compared to last year.

Central budgets however have only reduced by 3.1%, although all relevant Academy top slice budgets (LACSEG) have been adjusted. The small reduction reflects the continuing need and responsibility for SEN, Carbon Reduction and PFI as shown below.

The net percentage reductions are as follows:

Schools Budget minus 18%

Central Expenditure minus 3.1 %

The actual changes in central expenditure are summarised below:

	£000	%
Increase required for the PFI Affordability Gap (this is Council funded)	333	1.4
Carbon reduction Budget	71	0.3
Reductions in:		
Schools Contingency budgets	(569)	(2.3)
Early Years Contingency	(284)	(1.2)
Academy LACSEG central budget reduction	(324)	(1.3)
Other	32	
Net Reduction	(741)	(3.1)

5.0 RECOMMENDATION

That the Forum approves the increase in the Central Expenditure Limit as set out above.

Julia Hassall
Acting Director of Children's Services