

WIRRAL COUNCIL

SCHOOLS FORUM – 2nd JULY 2014

REPORT OF THE DIRECTOR OF CHILDREN'S SERVICES

SCHOOLS BUDGET OUTTURN 2013/14

1.0 EXECUTIVE SUMMARY

1.1 The purpose of this report is to outline the year end position for the 2013/14 Schools Budget. At this time the accounts are provisional and are subject to audit. The Forum are asked to note the report.

2.0 OUTTURN 2013/14

2.1 The Schools Budget Out-turn is shown in Appendix 1. The net position of £2,393,226 takes account of all delegated and centrally retained income and expenditure. The total is £201,374 less than originally budgeted and follows an agreed change in the funding of Planned Programmed Maintenance during the year.

2.2 There is an overall year end carry forward of Dedicated Schools Grant (DSG) of £929,000 which will be applied in future years budgets. A projected carry forward of £384,000 was reported to the Forum in April but did not fully take account of all academy recoupment adjustments.

2.3 The main variations between the planned and outturn expenditure are listed below:

2.4 Primary Schools – £0.4m under spend

There is reduced expenditure following the conversion of Our Lady of Pity Catholic School to an academy on 1st December 2013. This is matched by a reduction in DSG.

2.5 Early Years Grant - £0.08m over spend

The over spend against this budget has been offset by additional DSG of £124,700 following the January 2014 Census where an additional 56 pupils were recorded.

2.6 Admissions - £0.1m under spend

There is a reduction in costs following changes in 11+ test papers and from ceasing the Choice Advisor Service. Academies have also contributed £29,400.

2.7 School Closure / Retirement Costs - £0.2m under spend

The enhanced pension costs arising from previous school closures were £116,000. The remaining budget is uncommitted.

2.8 Carbon Reduction Commitment - £0.03m over spend

The over spend takes into account the final costs of the 2012/13 scheme and the expected final costs relating to 2013/14. The scheme has now ended for schools.

2.9 Schools Forum - £0.01m under spend

The Schools Forum budget incurred no expenditure in 2013/14.

2.10 Contribution to Combined Budgets - £0.15m under spend

The combined budgets totalling £2.5m have been spent in the following areas:

	£
Discretionary Rate Relief top up	113,200
School Improvement	359,900
LSCB Contribution	30,000
School Sports Coordinator	25,000
School Intervention	674,181
City Learning Centre's	814,700
School Emoluments Wellbeing and Staff Surveys	14,900
Clinical Waste Disposal	38,103
Governments Forum	2,200
PFI Support Team	61,800
LACES	185,500
Wellbeing and School Workforce Survey	29,258
Total	2,348,742

There is an underspend in Discretionary Rate Relief costs which have reduced from the original estimate due to academy conversions.

2.11 Insurances - £0.02m under spend

Governors Liability Insurance has under spent.

2.12 Minority Ethnic Achievement Service - £0.02m under spend

The variation here is mainly due to staffing costs being less than budgeted.

2.13 School Specific Contingency – £0.04m under spend

The Primary and Secondary Contingency outturn includes the following expenditure:

	£
Vulnerable Children	25,045
KS1 Bulge class - Teacher	16,000
Pension Arrears	14,337
Rates adjustments & Other costs	12,514
Total	67,896

Schools Contingencies for Special Schools totaling £206,000 were not committed and were returned to schools.

2.14 Special Staff Costs - £0.2m over spend

The over spend against the budget of £606,900 reflects maternity costs that are higher than planned and other exceptional school staff costs.

2.15 Behaviour Support - £0.03m under spend

The under spend includes a reduction in the costs of Embedded Police and additional academy income.

2.16 Special Education Needs Transition Reserve - £0.5m under spend

The budget of £8.3m provides the Top Up High Needs funding to Special Schools and Post 16 providers. The committed spend was £7.8m and includes a carry forward of £330,000 to fund the High Needs Minimum Funding Guarantee in 2014/15. The year end under spend reflects the remaining uncommitted High Needs contingency.

2.17 Special Education Needs Statements - £0.5m under spend

There is a net under spend in Statement costs for schools and early years.

2.18 Support for Special Education Needs - £0.5m under spend

The central part of this budget which is held to review, develop and plan SEN provision across Wirral was not fully committed in the year and will be reviewed in 2014/15.

2.19 Independent Special School Fees - £0.1m under spend

The budget of £3.3m anticipated an increase in costs arising from Raising the Participation Age which did not fully materialise.

2.20 Education Out Of School – Home Tuition - £0.04m over spend

Additional supply costs reflecting increased service demands.

2.21 Dedicated Schools Grant

The DSG budget was £176.1m of which £175.5m was received during the year. The variance of £0.6m was due to:

	£
Rates Adjustment (differences between academy rates paid and budgeted)	274,000
A primary school academy conversion	439,000
Additional income following the January Early Years Census	(125,000)
Correction of EAL Census Data	(12,000)
	576,000

3.0 DSG Reserves - £4.14m

3.1 There are a number of DSG related balances that are being held as earmarked reserves at 31st March 2014. These total £4.1m and include the following:

- Job Evaluation and Pay Harmonisation Reserve - £1.08m

The reserve has been increased by £450,000 in 2013/14

- **DSG Reserve - £1.40m**
Unallocated DSG from 2012/13 (£472,000) has been carried forward and will be applied as part of the Schools Budget for 2014/15. The unallocated DSG from 2013/14 (£929,000) will be allocated in 2015/16.
 - **Automatic Meter Reading – £0.42m**
This reserve will be used to fund defibrillators in schools and will be distributed to schools in 2014-15.
 - **City Learning Centres - £0.12m**
This reserve will be used to meet any potential unfunded summer term costs or large equipment failure / replacement costs.
 - **AST Reserve**
The reserve of £136,000 has been used to support the salary safeguarding of Advanced Skills Teachers in 2013/14.
 - **Schools Contingency - £0.19m**
A reserve to meet any significant unforeseen costs in excess of the budget provision.
 - **PFI Affordability Gap - £0.6m**
This reserve has been created to provide funding in the 2014-15 Schools Budget to cover part of the PFI Affordability Gap costs.
 - **High Needs MFG - £0.33m**
This reserve will meet the costs of the MFG for Special Schools and Resourced Base provision in 2014/15.

4.0 CONCLUSION

- 4.1 The variations identified in the centrally held schools budget set out above have no direct impact on delegated school budgets.
- 4.2 The under spend of £0.9m has been carried forward at the end of the financial year to be taken into account of as part of the Schools Budget for 2015/16.

5.0 RECOMMENDATIONS

- 5.1 That the Forum notes the financial position of the Schools Budget for 2013/14.

Julia Hassall
Director of Children's Services

Appendix 1 – Schools Budget and Out-turn 2013/14

	Adjusted Base Budget 2013/14 £	Outturn 2013/14 £	Variation 2013/14 £
Individual Schools Budget			
Primary Schools	92,058,800	91,620,734	(438,066)
Secondary Schools	31,788,300	31,787,948	(352)
Special Schools	8,690,000	8,690,011	11
SEN Bases	2,068,000	2,068,000	0
WASP	640,000	639,745	(255)
Wirral Hospital School	1,352,300	1,352,300	0
Early Years Providers	13,514,600	13,594,463	79,863
Individual Schools Budget Total	150,112,000	149,753,201	(358,799)
Central School Costs			
Early Years Support	541,100	524,273	(16,827)
Admissions	452,500	352,240	(100,260)
School Closure / retirement costs	326,000	115,647	(210,353)
Licences & Subscriptions	101,300	97,492	(3,808)
Carbon Reduction	230,300	260,068	29,768
Schools Forum	10,600	0	(10,600)
School Harmonisation Costs	450,000	450,000	0
Contribution to Combined Budgets	2,499,600	2,348,742	(150,858)
PPM	649,000	649,000	0
PFI affordability gap	2,395,400	2,385,065	(10,335)
Costs Delegated to schools			
Library Service	198,400	197,272	(1,128)
Insurances	55,200	31,371	(23,829)
MEAS	253,800	229,659	(24,141)
School Specific Contingencies	109,600	67,897	(41,703)
Special Staff Costs	606,900	811,177	204,277
Milk & Meals	13,900	13,900	0
Behaviour Support	96,500	65,372	(31,128)
High Needs Pupils			
SEN Transition Top Ups	8,298,600	7,804,850	(493,750)
Statements	5,332,900	4,842,201	(490,699)
Support for SEN	2,292,900	1,802,315	(490,585)
Indep Special School Fees	3,315,300	3,188,642	(126,658)
Education Out of School	248,600	293,355	44,755
Special School Transport	58,200	58,200	0
Non Delegated School Costs	28,536,600	26,588,738	(1,947,862)
Dedicated Schools Grant	(176,054,000)	(175,478,000)	576,000
DSG Carry Forward	0	929,287	929,287
Contribution to Reserve	0	600,000	600,000
Grand Total	2,594,600	2,393,226	(201,374)

