

WIRRAL COUNCIL

SCHOOLS FORUM - 14 JANUARY 2015

REPORT OF THE DIRECTOR OF CHILDREN'S SERVICES

SCHOOLS BUDGET MONITORING REPORT 2014-15

1.0 EXECUTIVE SUMMARY

1.1 The purpose of this report is to update the Forum on the Schools Budget in the current year and to provide a brief summary of the main anticipated variations.

2.0 ANTICIPATED BUDGET VARIATIONS

2.1 The table attached compares the Schools Budget with the indicative spend for the year. The main variations are set out below.

2.2 Individual Schools Budget

The Secondary Schools budget is likely to overspend by £490,000 - the anticipated deficit for a secondary school at the point it converts to an academy.

2.3 Early Years Grant - £1.0m under spend

The Early Years budget of £15.5m includes £4.9m for the funding of 2 year olds (£4.4m for the provision and £0.5m the trajectory funding). The DfE anticipated there were 1846 of 2 year olds entitled to receive free Early Education from September 2014. However, numbers for Autumn and Spring Term are about 2/3rds of those eligible, resulting in an estimated underspend of £1m. Take up will continue to increase in 2015/16 in line with the capacity available with providers. It is anticipated that therefore some of this underspend will be required for this purpose. £530,000 has been received for Trajectory funding, building capacity with providers. To date half the budget is committed. It is recommended that the remainder is ring fenced and carried forward to 2015/16.

2.4 Admissions - £0.02m under spend

The budget will not be fully committed at the end of the year, there has also been additional income received from Academies.

2.5 School Closure / retirement costs - £0.2m under spend

The enhanced pension costs arising from previous school closures are estimated to be in line with last year at £126,000, resulting in a projected under spend of £200,000.

2.6 Schools Forum - £0.01m under spend

There is an estimated under spend of £10,600 in this area against budget.

2.7 Contribution to Combined Budgets £0.02m under spend

There is no longer a contribution towards the cost of school swimming pools.

2.8 Insurances - £0.03m under spend

The Governors Liability Insurance is estimated to be £27,900 less than budget.

2.9 School Specific Contingency - £0.5m over spend

The budget has made provision for managed moves and exceptional teacher and pension costs. In addition there are costs for schools which have been refunded for Low Cost High Incident SEN Statements where contributions exceed 90% of their notional budget. These costs total £169,000. In addition, school rates are £288k higher than anticipated due to increased and backdated charges for Pensby and Park Primary Schools.

2.10 Special Staff Costs - £0.1m over spend

The budget of £673,200 covers maternity, paternity and some Trade Union Facility Time. Current projections indicate that this budget will over spend by £126,000 mainly due to additional supply costs at EMAP.

2.11 Behaviour Support - £0.04m under spend

The budget is not anticipated to be fully committed at the end of the year and there has been additional income received from Academies.

2.12 Special Education Needs Top Ups - £0.3m under spend

The budget held is £12.2m for Top Up Funding in Special Schools, Independent, Non-Maintained, Bases, EMAP, FE and 6th Form colleges and contingency. The under spend has also allowed for backdated TA costs in Special Schools of £0.3m to be met.

2.13 Special Education Needs Statements - £0.16m under spend

Projections indicate a reduction in the number and cost of Primary and Secondary Statements offset by some additional Exceptional Need costs.

2.14 Support for Special Education Needs - £0.3m under spend

A significant proportion of the £700,000 central budget which is held to review, develop and plan SEN provision across Wirral will not be committed.

2.15 Home Tuition – £0.08m over spend

The service demands have resulted in increased costs within the year.

2.16 DSG - £175,835,000

The DSG allocation to Wirral remains at £175,835,000 for 2014/15 with an additional £1,331,500 carried forward from previous years. DSG has still to be adjusted for Townfield Academy and any subsequent academy conversions.

3.0 UPDATE ON SPECIFIC RESERVES

3.1 Job Evaluation and Pay Harmonisation Reserve - £1.08m

This reserve will fund backdated Job Evaluation and Harmonisation costs from 2007-08 following appeals and settlements.

3.2 DSG Reserve - £1.4m

This reserve is made up as follows:

Schools Budget under spend 2012/13 £472,000 – used as part of 2014/15 Budget

Schools Budget under spend 2013/14 £930,000 – proposed use of £894,900 within the 2015/16 Budget.

3.3 Defibrillators Reserve - £0.16m

This reserve has been used to fund the installation of defibrillators in schools.

3.4 City Learning Centres - £0.12m

This reserve is to meet any large equipment failure/replacement costs or potential unfunded Summer term costs.

3.5 Schools Contingency - £0.19m

A reserve to meet any significant unforeseen costs in excess of the budget provision.

3.6 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 under spends identified in the centrally held schools budget set out above are estimated to be £398,900.

4.2 There is a net additional under spend of £510,000 within the Schools area of the budget. It is anticipated that this will be taken into account towards the expanding 2 year old provision in 2015/16.

5.0 RECOMMENDATIONS

5.1 That the Forum notes the estimated financial position of the Schools Budget for 2014/15.

Julia Hassall
Director of Children's Services

Appendix 1 – Budget Variations 2014/15

	Adjusted Base Budget 2014/15 £	Forecast Spend 2014/15 £	Variation 2014/15 £
Individual Schools Budget			
Primary Schools	92,497,800	92,497,800	0
Secondary Schools	30,618,500	31,108,500	490,000
Special Schools	8,500,300	8,500,300	0
SEN Bases	2,006,000	2,006,000	0
Emslie Morgan Alternative Provision School	640,000	640,000	0
Wirral Hospital School	1,352,300	1,352,300	0
Early Years	15,551,000	14,551,000	(1,000,000)
Individual Schools Budget Total	151,165,900	150,655,900	(510,000)
Central School Costs			
Early Years	489,700	489,700	0
Admissions	365,400	340,600	(24,800)
School Closure / retirement costs	326,000	126,000	(200,000)
Licences & Subscriptions	152,000	149,000	(3,000)
Schools Forum	10,600	0	(10,600)
School Harmonisation Costs	450,000	450,000	0
Contribution to Combined Budgets	2,336,200	2,316,400	(19,800)
PPM	449,000	449,000	0
PFI affordability gap	2,586,500	2,586,500	0
Costs Delegated to schools			
Library Service	195,000	195,000	0
Insurances	57,700	29,800	(27,900)
MEAS	260,400	250,600	(9,800)
School Specific Contingencies	107,500	600,300	492,800
Special Staff Costs	673,200	799,200	126,000
Milk & Meals	13,900	13,900	0
Behaviour Support	96,500	57,800	(38,700)
High Needs Pupils			
SEN Top Ups / Independent School Fees	12,176,700	11,865,100	(311,600)
Statements	4,648,500	4,490,800	(157,700)
Support for SEN	2,282,700	1,985,900	(296,800)
Home Tuition	251,400	334,400	83,000
Special School Transport	58,200	58,200	0
Non Delegated School Costs	27,987,100	27,588,200	(398,900)
Dedicated Schools Grant	(175,835,000)	(175,835,000)	0
Contributions from Reserves	(1,331,500)	(1,331,500)	0
Grand Total	1,986,500	1,077,600	(908,900)