

WIRRAL COUNCIL

SCHOOLS FORUM – 29 APRIL 2015

REPORT OF THE DIRECTOR OF CHILDREN'S SERVICES

SCHOOLS BUDGET MONITORING REPORT 2014-15

1.0 EXECUTIVE SUMMARY

- 1.1 The year-end accounts for the Schools Budget are currently being prepared. The purpose of this report is to provide an update on the expected outturn position and a brief description of the variations. There is an anticipated under spend for the year of £0.4m.

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

There have been adjustments totaling £1.4m following the conversion of Townfield, Kingsway (Wallasey) and Emslie Morgan to Academies. In addition there is a charge resulting from a budget deficit for the Wallasey School of £400,000.

2.3 Early Years - £0.06m 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). Of the 2 year olds entitled to receive free Early Education from September 2014 only 2/3rd have taken up this offer, resulting in an underspend of £1.1m. Take up will continue to rise in 15/16 in line with the capacity available. The previous meeting agreed that the sum of £510,000 would be carried forward to fund expansion of 2 year old provision.

Of the £530,000 Trajectory funding there is £0.4m uncommitted which will be carried forward and ring fenced to the 2 year old provision.

2.4 Admissions - £0.02m under spend

The budget was not fully committed. There has 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 £126,000, resulting in a projected under spend of £200,000.

2.6 Schools Forum - £0.01m under spend

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

2.7 Contribution to Combined Budgets

The combined budgets have been spent in the following areas:

	Budget £	Spend £	Variance £
School Improvement	359,900	359,900	0
Discretionary Rate Relief Top Up	106,600	106,600	0
Sports Coordinator	25,000	25,000	0
LCSB contribution	30,000	30,000	0
Governors Forum	2,200	2,200	0
Wellbeing & School Staff Surveys	44,600	54,231	9,631
Clinical Waste Disposal	11,600	35,598	23,998
Use of School Swimming Pools	19,800	0	(19,800)
PFI Support Team	61,800	61,800	0
LACES	185,500	185,500	0
School Intervention	674,500	650,913	(23,587)
City Learning Centres	814,700	814,700	0
Total	2,336,200	2,326,442	(9,758)

2.8 Carbon Reduction Commitment - £0.03m under spend

The scheme ended for Schools 31st March 2014 however there was a refund of £24,200 received in year relating to the 2013-14 commitment.

2.9 Insurances - £0.03m under spend

The Governors Liability Insurance is estimated to be £29,300 less than budget.

2.10 School Specific Contingency - £0.4m over spend

The Contingency budget of £107,500 was spent on:

	Spend £
Managed Moves Primary	37,100
Devonshire Park KS1 Teacher	35,000
Pension Arrears & Other Costs	36,600
Rates (includes Pensby & Park Primary)	236,900
Low Cost High Incident 90% Refunds	169,000
Total	514,600

2.11 Special Staff Costs - £0.1m over spend

The budget of £673,200 has been broken down below:

	Budget £	Spend £	Variance £
Maternity, Paternity & Other Staff Costs	584,000	722,400	138,400
TU Facilities	79,400	56,100	(23,300)
Insurance & Recharges	9,800	9,800	0
Total	673,200	788,300	115,100

There is an anticipated under spend in TU Facilities time of £23,300. The Forum are asked to consider if this should be carried forward and ring fenced to TU costs or used to offset the over spend in this area.

2.12 Behaviour Support - £0.04m under spend

The budget has not fully committed and there has been additional income received from Academies.

2.13 Special Education Needs Top Ups - £0.04m over 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. In addition this area has met 50% of backdated TA costs in special schools of £0.8m.

2.14 Special Education Needs Statements - £0.19m under spend

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

2.15 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 has not been committed.

2.16 Home Tuition – £0.04m over spend

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

2.17 DSG - £174,433,000

The DSG allocation to Wirral was £175,835,000 for 2014/15 with an additional £1,331,500 carried forward from previous years. The final allocation has reduced to £174,433,000 following the conversions of Townfield and Wallasey and Emslie Morgan to Academy status.

3.0 UPDATE ON SPECIFIC RESERVES

3.1 Job Evaluation and Pay Harmonisation Reserve - £0.7m

This reserve has reduced from £1.1m to £0.7m as a result of backdated TA costs within Special Schools. The balance will continue to fund Job Evaluation and Harmonisation costs described elsewhere on this agenda.

3.2 DSG Reserve - £1.6m

This reserve relates to Schools Budgets underspends as follows:

	£
School Budget under spend 2013/14	930,000
School Budget under spend 2014/15	441,500
Transfer Schools Contingency Reserve	190,000
	1,561,500

The 2015/16 budget will use £894,900 of this reserve. The remaining balance of £666,600 will be taken into account in the 2016/17 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 - £0.1m

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

3.5 High Needs MFG - £0.07m

The reserve of £330,000 has funded £260,000 of additional MFG costs for Special Schools and Resourced Base provision in 2014/15. The remaining £70k with fund remaining academy costs in 2015/16.

3.6 Early Years - 2 Year Old Funding - £0.5m

Reserve created to continue expanding the 2 year old provision in 2015/16.

4.0 CONCLUSION

4.1 The variations identified in the centrally held schools budget set out above are expected to be £231,200.

4.2 Including the schools area there is a net underspend of £441,500. It is anticipated that this will be taken into account setting the Schools Budget in 2016/17.

5.0 RECOMMENDATIONS

5.1 That the Forum notes the expected financial position of the Schools Budget for 2014/15 and advises on the carry forward of TU Facilities time.

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	91,780,800	(717,000)
Secondary Schools	30,618,500	30,487,500	(131,000)
Special Schools	8,500,300	8,500,300	0
SEN Bases	2,006,000	1,906,000	(100,000)
Emslie Morgan Alternative Provision	640,000	586,000	(54,000)
Wirral Hospital School	1,352,300	1,352,300	0
Early Years	15,551,000	14,940,400	(610,600)
Individual Schools Budget Total	151,165,900	149,553,300	(1,612,600)
Central School Costs			
Early Years	489,700	489,700	0
Admissions	365,400	342,800	(22,600)
School Closure / retirement costs	326,000	126,000	(200,000)
Licences & Subscriptions	152,000	148,900	(3,100)
Schools Forum	10,600	0	(10,600)
School Harmonisation Costs	450,000	450,000	0
Contribution to Combined Budgets	2,336,200	2,326,500	(9,700)
Carbon Reduction Commitment	0	(24,200)	(24,200)
PPM	449,000	477,000	28,000
PFI affordability gap	2,586,500	2,586,500	0
Costs De-Delegated from schools			
Library Service	195,000	195,000	0
Insurances	57,700	30,100	(27,600)
MEAS	260,400	252,100	(8,300)
School Specific Contingencies	107,500	514,500	407,000
Special Staff Costs	673,200	788,200	115,000
Milk & Meals	13,900	13,900	0
Behaviour Support	96,500	57,900	(38,600)
High Needs Pupils			
SEN Top Ups / Independent School Fees	12,176,700	12,215,400	38,700
Statements	4,648,500	4,460,800	(187,700)
Support for SEN	2,282,700	1,960,200	(322,500)
Home Tuition	251,400	286,400	35,000
Special School Transport	58,200	58,200	0
Non Delegated School Costs	27,987,100	27,755,900	(231,200)
Dedicated Schools Grant	(175,835,000)	(174,432,700)	1,402,300
Contributions from Reserves	(1,331,500)	(1,331,500)	0
Grand Total	1,986,500	1,545,000	(441,500)