

WIRRAL COUNCIL

SCHOOLS FORUM – 15th JULY 2015

REPORT OF THE DIRECTOR OF CHILDREN'S SERVICES

SCHOOLS BUDGET OUTTURN REPORT 2014/15

1.0 EXECUTIVE SUMMARY

1.1 The purpose of this report is to outline the year end position for the 2014/15 Schools Budget. At this time the accounts are provisional and are subject to audit. The Forum is asked to note the report.

2.0 OUTTURN 2014/15

2.1 The Schools Budget Outturn is shown in Appendix 1 and includes a carry forward of Dedicated Schools Grant (DSG) of £934,400 which will be applied in future years budgets. The main differences from the previous report are:

	£
Additional DSG (Early Years)	202,000
Reduced Contingencies (incl Wallasey School Deficit)	290,000

2.2 The updated variations between the budget and actual expenditure are listed below:

2.3 **Primary, Secondary and Special Schools Budget - £1.4m under spend**

There have been adjustments following the conversion of Townfield, Kingsway (Wallasey) and Emslie Morgan to Academies.

2.4 **Early Years - £0.6m under spend**

The Early Years budget of £15.5m includes £4.9m for the funding of 2 year olds. Only 2/3rds of those entitled to receive free Early Education from September 2014 took up this offer during the year. Take up is continuing to rise through 15/16 in line with the capacity available and £510,000 was ring fenced and carried forward to fund this expansion. There was also an Early Years Local Authority grant of £25,000 received in the year.

2.5 **Admissions - £0.02m under spend**

The budget was not fully committed. There was additional income received from Academies.

2.6 **School Closure / retirement costs - £0.2m under spend**

The enhanced pension costs arising from previous school closures were £83,700, resulting in an under spend of £242,300.

2.7 Contribution to Combined Budgets

The combined budgets were 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	54,300	9,700
Clinical Waste Disposal	11,600	35,600	24,000
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	650,900	(23,600)
City Learning Centres	814,700	815,900	1,200
Total	2,336,200	2,327,700	(8,500)

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 was £27,600 less than budget.

2.10 School Specific Contingency - £0.6m over spend

The Contingency budget was spent as follows:

	Spend
	£
Deficit Wallasey School	306,000
Managed Moves - Primary	37,100
Devonshire Park KS1 Teacher	35,000
Pension Arrears & Other Costs	62,800
Rates (includes Pensby & Park Primary)	236,900
Low Cost High Incidence 90% Refunds	169,000
Special School Contributions	(167,000)
Total	679,800

2.11 Special Staff Costs - £0.1m over spend

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

	Budget	Spend	Variance
	£	£	£
Maternity, Paternity & Other Staff Costs	584,000	727,000	143,000
TU Facilities	79,400	53,500	(25,900)
Insurance & Recharges	9,800	9,800	0
Total	673,200	790,300	117,100

The under spend of £25,900 in TU Facilities time has been used to offset the other costs within this area as agreed at the April Schools Forum.

2.12 Behaviour Support - £0.04m under spend

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

2.13 Special Education Needs Top Ups - £0.06m 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 met 50% of the backdated TA costs in special schools (£0.8m).

2.14 Special Education Needs Statements - £0.2m under spend

There was a reduction in both 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 was not committed.

2.16 Home Tuition – £0.03m over spend

The service demands resulted in increased costs of £29,300 within the year.

2.17 DSG - £174,433,000

The DSG budget was £175,835,000 of which £174,635,000 was received during the year. The variance of £1,200,000 was due to:

	£
Primary School Academy Conversion	767,000
Secondary School Academy Conversion	582,000
Alternative Provision Academy Conversion	53,000
Additional Income following Early Years January Census	(202,000)
	1,200,000

3.0 UPDATE ON SPECIFIC RESERVES

3.1 City Learning Centres - £0.1m

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

3.2 **Early Years - 2 Year Old Funding - £0.5m**

Reserve created for expansion of 2 year old provision.

3.3 **Job Evaluation and Pay Harmonisation Reserve - £0.7m**

A breakdown of this reserve is shown below:

	£
Balance brought forward at 01/04/14	1,077,200
Contribution to JE from Schools Budget	1,229,600
Backdated TA costs within Special Schools	(1,646,600)
Balance carried forward at 31/03/15	660,200

3.4 **DSG Reserve - £2.1m**

This reserve relates to Schools Budget underspends as follows:

	£
School Budget under spend 2013/14	929,300
School Budget under spend 2014/15	934,400
Transfer Schools Contingency Reserve	193,800
	2,057,500

The 2015/16 budget will use £894,900 of this reserve. The remaining balance of £1,162,600 will be taken into account in the 2016/17 budget.

3.5 **Defibrillators Reserve - £0.04m**

There is £36,000 left in this reserve which was used to fund the installation of defibrillators in schools.

3.6 **High Needs MFG - £0.07m**

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

4.0 **CONCLUSION**

4.1 Including the schools area there was a net underspend of £934,400. 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 financial position of the Schools Budget for 2014/15.

5.2 That the reduced deficit for Wallasey Shool of £306,000 funded from the schools contingency is noted.

Julia Hassall
Director of Children's Services

Appendix 1 – Budget Variations 2014/15

	Adjusted Base Budget 2014/15 £	Outturn 2014/15 £	Variation 2014/15 £
Individual Schools Budget			
Primary Schools	92,497,800	91,825,600	(672,200)
Secondary Schools	30,618,500	30,020,700	(597,800)
Special Schools	8,500,300	8,503,300	3,000
SEN Bases	2,006,000	1,898,000	(108,000)
Emslie Morgan Alternative Provision	640,000	586,700	(53,300)
Wirral Hospital School	1,352,300	1,352,300	0
Early Years	15,551,000	14,958,100	(592,900)
Individual Schools Budget Total	151,165,900	149,144,700	(2,021,200)
Central School Costs			
Early Years	489,700	489,700	0
Admissions	365,400	348,100	(17,300)
School Closure / retirement costs	326,000	83,700	(242,300)
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	2,327,700	(8,500)
Carbon Reduction Commitment	0	(24,200)	(24,200)
PPM	449,000	477,200	28,200
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	253,000	(7,400)
School Specific Contingencies	107,500	679,800	572,300
Special Staff Costs	673,200	790,300	117,100
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	12,234,400	57,700
Statements	4,648,500	4,464,000	(184,500)
Support for SEN	2,282,700	1,929,000	(353,700)
Home Tuition	251,400	280,700	29,300
Special School Transport	58,200	58,200	0
Non Delegated School Costs	27,987,100	27,873,900	(113,200)
Dedicated Schools Grant	(175,835,000)	(174,635,000)	1,200,000
Transfer from DSG Reserve	(1,331,500)	(1,331,500)	0
Transfer to DSG Reserve	0	934,400	934,400
Grand Total	1,986,500	1,986,500	0