

WIRRAL COUNCIL

SCHOOLS FORUM – 13th JANUARY 2016

REPORT OF THE DIRECTOR OF CHILDREN'S SERVICES

SCHOOLS BUDGET MONITORING REPORT 2015/16

1.0 EXECUTIVE SUMMARY

1.1 The purpose of this report is to update the Forum on the Schools Budget position and anticipated variations in the current year. There is a projected over spend in SEN budgets which is estimated to be £500k and it is proposed that this should be met from an existing DSG reserve.

2.0 ANTICIPATED BUDGET VARIATIONS

2.1 The table in Appendix 1 compares the forecast spend with the Schools Budget. The main variations are set out below.

2.2 **Early Years Grant - £1,230,000 under spend**

There is an Early Years budget of £15.7m which includes the funding for 2, 3 and 4 year olds entitled to receive free Early Education and Early Years Pupil Premium.

Census data for 3 and 4 year olds indicate that the budget in this area of £11.7m will be fully committed.

Two year old provision however is currently at 75% of the indicative entitlement and results in an underspend against this budget of £1.1m.

Finally the take up of the Early Years Pupil Premium has not reached the provisional grant allocation. The grant of £357,000 was based on 1,180 children. To date actual numbers are 50% of this level resulting in an underspend of £187,000.

2.3 **School Licences - £36,000 under spend**

The cost of licences was estimated to be £254,000 however the actual cost was £218,000.

2.4 **Schools Forum**

The budget has been committed to fund the Free School Meals opt out work undertaken by the Benefits Team in the Finance Department.

2.5 Contribution to Combined Budgets

The combined budgets of £2.1m are expected to be fully spent across the following areas:

	Budget
	£
School Improvement	359,900
Discretionary Rate Relief Top Up	106,600
LCSB contribution	30,000
Governors Forum	2,200
Wellbeing & School Staff Surveys	44,600
PFI Support Team	61,800
LACES	140,500
School Intervention	674,500
City Learning Centres	694,700
Total	2,114,800

2.6 School Specific Contingencies - £40,000 over spend

The allocation of contingency budgets is summarised in the table below:

	Budget	Forecast	Variation
	£	Spend	£
		£	
<u>Primary and Secondary Schools</u>			
Vulnerable children managed moves and additional support		63,000	
KS1 Bulge class		36,000	
Rates adjustments including former Childrens Centres		35,000	
Pension costs		(22,700)	
<u>Special Schools</u>			
Support for additional school places		82,000	
Other Special School budget support		106,000	
Special School buyback		(155,000)	
Total	104,300	144,300	40,000

2.7 Special Staff Costs - £80,000 over spend

Current projections indicate that this budget of £667,600 will over spend by £80k due to higher than expected maternity costs in Primary and Special Schools.

	Budget	Forecast	Variation
	£	Spend	£
		£	
Maternity, Paternity and Other Staff Costs	565,000	645,000	
TU Facilities	95,700	95,700	
Insurance and Recharges	6,900	6,900	
Total	667,600	747,600	80,000

2.8 **Special Education Needs Top Ups - £502,000 over spend**

There is a budget of £8.4m and a projected overspend of £502,000. This budget funds the Pupil Led Top Up funding in Specialist Provision, Resource Bases, FE, Colleges and Alternative Provision. There is a small overspend resulting from the cost of additional top ups paid to Emslie Morgan in the Summer Term.

The budget also funds a number of requests for exceptional needs, mainly these of children with social, emotional and mental health conditions and a higher number of autistic diagnoses. The number of requests for additional funding has increased in this area. The Exceptional Needs Budget has expenditure of £725,000 against a budget of £450,000. These costs will need to be reviewed in detail and support should in future be time limited.

2.9 **Independent Special Schools - £326,000 over spend**

There is a budget of £3.4m and an anticipated spend of £3.7m. There are currently 91 places and a further 2 being sought for young people with complex needs. The cost of these placements and their duration has increased and will be subject to review.

3.0 **Support for SEN - £175,000 under spend**

The under spend of £175,000 within Support for SEN and the Special Education Support Service is mainly due to uncommitted balances and is helping to offset pressures above.

3.1 **DSG - £170,183,300**

The Dedicated Schools Grant (DSG) 2015/16 was published in July 2015 indicating that the allocation to Wirral will be £170,386,000. The budget also includes £894,900 of DSG carried forward from 2014/15. This report makes an assumption that the reported Early Years reduced spend is matched by a reduction in the DSG received.

4.0 **UPDATE ON SPECIFIC RESERVES**

4.1 The final figure of DSG reserves carried forward into 2015/16 was £3.5m of which £0.9m has been applied to the 2015/16 budget as described above.

4.2 To date there are the following earmarked reserves:

Job Evaluation and Pay Harmonisation Reserve - £0.7m

DSG Reserve - £1.3m

	£
DSG Carry Forward from 2014/15	2,057,500
Use of Reserve in 2015/16	(894,400)
Transfer Nursery Education unapplied funding	108,000
Transfer Schools AST Contingency Reserve	1,200
	1,272,300

Defibrillators Reserve - £0.04m

All schools have been equipped with defibrillators however there is £36,000 that remains which could fund any related costs i.e. training.

City Learning Centres - £0.12m

This reserve will be used to meet any large equipment failure/replacement costs or potential unfunded summer term costs.

High Needs MFG - £0.07m

This reserve to fund the remaining academy MFG costs has been fully committed in 2015/16.

Early Years - 2 Year Old Funding - £0.5m

Reserve created to continue expanding the 2 year old provision in 2015/16. These costs however can be met from the existing budget provision as described in 2.2 above. As a result the reserve can be released in year to provide a source of funding for additional SEN demand pressures.

5.0 CONCLUSION

- 5.1 At this time the projected additional costs reported can be met from within existing resources/reserves. A further report on the provisional outturn figures will be submitted at the next meeting.

6.0 RECOMMENDATIONS

- 6.1 That the Forum notes the report and estimated position of the Schools Budget for 2015/16.
- 6.2 That there is a detailed report to a future meeting that reviews all central SEN costs together with options to manage the additional cost pressures described.

Julia Hassall
Director of Children's Services

Appendix 1 – Budget Variations 2015/16

	Adjusted Budget 2015/16 £	Forecast Spend 2015/16 £	Variation 2015/16 £
Individual Schools Budget			
Primary Schools	93,028,400	93,028,400	0
Secondary Schools	26,045,600	26,045,600	0
Special Schools	8,733,400	8,733,400	0
SEN Bases	1,616,800	1,616,800	0
Wirral Hospital School	1,352,300	1,352,300	0
Early Years	15,750,000	14,520,000	(1,230,000)
Individual Schools Budget Total	146,526,500	145,296,500	(1,230,000)
Central School Costs			
Early Years	378,700	368,700	(10,000)
Admissions	341,800	341,800	0
School Closure / retirement costs	126,000	86,000	(40,000)
Licences and Subscriptions	254,000	218,000	(36,000)
Schools Forum	10,600	10,600	0
Contribution to Combined Budgets	2,114,800	2,114,800	0
PPM	249,000	249,000	0
PFI affordability gap	2,736,500	2,736,500	0
Costs delegated to schools			
Library Service	191,700	191,700	0
Insurances	32,300	32,300	0
Minority Ethnic Achievement Service	244,600	244,600	0
School Specific Contingencies	104,300	144,300	40,000
Special Staff Costs	667,600	747,600	80,000
School Meals	13,600	13,600	0
Behaviour Support	92,200	62,200	(30,000)
High Needs Pupils			
Statements	4,008,000	4,008,000	0
SEN Top Ups	8,384,900	8,886,900	502,000
High Needs Contingency	474,000	317,000	(157,000)
Independent Special Schools	3,395,000	3,721,000	326,000
Home Tuition	308,900	308,900	0
Support for SEN	2,031,500	1,856,500	(175,000)
Special School Transport	58,200	58,200	0
Non Delegated School Costs Total	26,218,200	26,718,200	500,000
Total School and Central Costs	172,744,700	172,014,700	(730,000)
Dedicated Schools Grant	(171,413,300)	(170,183,300)	1,230,000
Use of Reserves	(894,900)	(1,394,900)	(500,000)
Grand Total	436,500	436,500	0