



COUNCILLOR TONY SMITH

CABINET
20 FEBRUARY 2017
SCHOOLS BUDGET AND
FORMULA FUNDING CHANGES 2017/18

Councillor Tony Smith, Cabinet Member - Children and Family Services, said:

“The performance of Wirral schools continues to go from strength to strength. We committed in our Wirral Plan to do all we could to continue to support our schools and ensure that every child in the borough has the opportunity of a good education, and good career.

Ensuring our schools have the resources in place to continue to improve and provide our young people with an excellent education is vital to the future of our borough.”

REPORT SUMMARY

This report sets out the Schools Budget for 2017/18 having previously been considered by the Schools Forum at their meeting on 18 January 2017

The Schools Budget covers education provision for all Wirral Pupils aged up to 16 in Early Years, Primary, Secondary and academy schools and for some pupils up to the age of 25 in Special Schools and High Needs providers.

Most budgets are delegated to schools with some central provision for support services including school admissions, PFI and High Needs.

The report proposes a number of changes to the funding formula for Early Years to take account of national changes and increased resources. There are also changes proposed to High Needs places and funding.

The Schools Budget provides resources to support all children and young people pledges.

The budget affects all Wards and is a Key Decision.

RECOMMENDATIONS

Cabinet recommends the Schools Budget of £252,127,600 to Budget Council having taken account of the views and formula proposals from the Schools Forum that:

- i) That the delegation of Private Finance Initiative (PFI) costs to schools are approved, subject to finalising amended schools agreements and confirmation from the Education Funding Agency (EFA).
- ii) That the in continuing Contributions to Combined Budgets should be £875,600
- iii) Dedicated Schools Grant (DSG) reserves totalling £568,900 should be used to set the Schools Budget.
- iv) There is a contribution to the cost of Education Services Grant (ESG) retained duties of £730,000.
- v) The funding for Education Services Grant (ESG) General Duties and School Improvement is agreed.
- vi) There is a transfer of £106,000 from the Schools Block to the High Needs Block following the transfer of central budgets to schools
- vii) The amendments to High Needs places and to the High Needs Formula are implemented from September 2017.
- viii) The Schools Forum review budgets and demands for High Needs alongside plans to undertake a review of High Needs provision following receipt of a national grant allocation of £132,000 for that purpose.
- ix) The changes to the Early Years Funding formula resulting from the receipt of additional funding are agreed with effect from the 1 April.

SUPPORTING INFORMATION

1.0 REASON FOR RECOMMENDATIONS

- 1.1 The Council has a legal requirement to set a schools budget for the following financial year.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 The Forum considered a number of options when considering the Schools Budget with regard to the continuation of funding for services previously funded by the Education Services Grant and proposals for School Improvement, Early Years and High Needs funding. These are described in more detail in the report

3.0 BACKGROUND INFORMATION

- 3.1 The Schools Forum were asked for their views on and approval of the Schools Budget for 2017/18 on 18 January 2017. The budget of £252,127,600 is for early years, maintained schools, academies, colleges and providers and is based on Dedicated Schools Grant allocations issued by the Department for Education on 20 December 2016, DSG reserves and a Council contribution to PFI costs of £763,500.

- 3.2 The format of the Dedicated Schools Grant (DSG) is changing following lengthy discussion and more recent consultation. In 2017/18 there will be a new national formula for Early Years, whilst changes for the Schools and High Needs have been deferred for 12 months, therefore allocations are broadly similar to previous years.

In summary the main changes to DSG in 2017/18 are:

- A new Early Years block increasing hourly rates paid to providers (by £1.4 million).
- Additional grant to cover the 15 hour extension of Early Years for working parents from September 2017 (£2.4 million).
- The transfer of funding for Education Services Grant Retained Duties of £730,000.
- The transfer of High Needs funding for post 16 FE places of £780,000.
- Additional High Needs funding (growth) of £550,000.

- 3.2.1 Within DSG the 3 unringfenced spending blocks indicate the level of expenditure anticipated in each budget area. At present local spending decisions can reallocate resources according to needs and priorities eg from Schools areas to High Needs or vice versa. Locally a small movement has been made to take account of the distribution of budgets to special schools that were previously held centrally (School Improvement, CLC's etc). This has resulted in a transfer of £106,000. Taking account of the National Funding Formula some of this adjustment may only be possible for 1 year.

3.2.2 The allocations for the Schools funding block have been updated for changes in pupil numbers and include academies. Pupil numbers are from the October 2016 census.

3.2.3 Early Years funding is based on a combination of the census in January 2017 and January 2018. The dates for the Early Years Census mean that the exact DSG will not be finalised until June 2018. The grant used for the budget is based on current indicative figures (using the January 2016 census) and any known or anticipated changes after this date eg for the 15 hour extension in September 2017.

3.2.4 The High Needs Block provides resources to fund high needs students aged 0 – 24, including the Hospital School. Funding has been transferred for baseline place numbers at Wirral Met College (72) and Birkenhead 6th Form College (60) and additional funding has been provided to meet growing needs across all authorities. For Wirral an additional £550,000 has been included for this. Growth can be used flexibly to make adjustments locally to high needs places as well as to the top ups provided and a number of changes are described in this report.

3.2.5 The Blocks in their current format can be summarised as follows:

	Block	Pupil Numbers	Funding Per Pupil £	Allocation £
1.	Schools Block	43,024	4,552.86	195,882,200
2.	Early Years Block	3,116	4,094.50	12,757,600
	Early Years Extension(7/12)	1,014	4,094.50	2,423,600
	2 Year Old funding	782	4,959.00	3,877,900
	Nursery Protection			517,900
	Disability Access Fund			100,000
	Early Years Pupil Premium			180,000
3.	High Needs Block			<u>35,056,000</u>
			Total	<u>250,795,200</u>

3.2.6 Schools Block £196 million

This funding covers the delegated budgets to mainstream schools and academies. In addition the block funds a number of budgets that are managed centrally on behalf of schools:

- Admissions.
- Schools Forum.
- Capital Expenditure from Revenue (PPM and PFI costs).
- Contributions to combined budgets.
- Schools budget retirement costs (school closure).
- School Licences.

The treatment of these budgets is in accordance with national guidance. The changes to a number of areas are considered later in this report.

3.2.7 Early Years Block £20 million

This Block funds the costs of Early Years Education for 2, 3 and 4 year old children in schools, nurseries and private voluntary and independent providers for both the universal and targeted entitlement. Most of this funding is directed through the Early Years Single Funding Formula (EYSFF).

There are small elements covering SEN costs and some central Early Years support costs. Amounts held centrally are within the new nationally defined limits.

3.2.8 High Needs Block £35 million

The make up of this block is complex. It is based on the “place plus” funding system introduced by the DfE in April 2013 and includes:

- Special schools (pre and post 16), school bases and non-maintained special schools. All receive a base level funding of £10,000 per place.
- Alternative Provision Bases and Emslie Morgan Academy funding of £10,000 per place.
- Place funding in Wirral’s FE provision at Wirral Met College and Birkenhead 6th Form College of £6,000 per place.
- Additional funding over and above that provided for places in the form of “top ups” provided on a per pupil basis. The top up, or “plus” element of funding, takes account of the agreed assessed needs of pupils and is paid by the “commissioner” responsible; this may be Wirral Children’s Services, a school or another Local Authority. Wirral’s top up system uses 5 bands to allocate funding across special schools, resourced bases and alternative provision. Non-maintained Special Schools also receive a top up.
- The costs of Top Ups for all education and training for post 16 specialist provision for Learners with Learning Difficulties or Disabilities (LLDD) in colleges and private providers.
- The Hospital Schools budget.
- The cost of placements in Independent Special Schools.
- The costs of Education, Health and Care Plans / Statements.
- The provision centrally of SEN support.

3.3 Academies

Currently there are 16 secondary academies, 2 primary academies and 1 Alternative Provision Academy – Emslie Morgan. Academies are independent from the local authority and are funded directly from the EFA, however Regulations still require Wirral to calculate their budgets in order to determine the total grant reduction; for Wirral this is estimated to be £76 million in 2017/18.

3.4 2017/18 Schools Budget savings

There are no specific budget savings proposed within the Schools Budget report.

3.5 2017-18 School Budget Changes

3.5.1 Primary, Secondary and Academy Budgets £195 million

The significant changes within this area are:

- The net increase in school rolls, resulting in an overall budget increase of £2 million. There are 508 more pupils on roll in October 2016 compared to October 2015. The estimated secondary numbers for pupils aged 11-15 have risen from 17,031 to 17,183 an increase of 132 (1%). Primary numbers have also increased from 25,486 to 25,842 (a 1.4% increase)
- An increase in rates payable of £44,800. There is an overall increase reflecting inflation, rates revaluation and transitional relief.
- A number of budgets that were previously held at the centre totalling £4 million have now been delegated to schools. These changes take account of the proposals for services supported by ESG and the EFA's updated guidance on Historic Commitments and Combined Budgets.
- Delegation includes:
 - Remaining CLC budgets (excluding PFI), Wellbeing and Staff Surveys of £206,000.
 - School Improvement £27,000 and School Intervention £485,000.
 - PPlanned Programmed Maintenance £224,000.
 - The PFI Affordability Gap of £3,036,500, which has been increased by the estimated cost of inflation - £150,000.
- There is a small amount of Headroom within the budget. This arises from a difference between the pupil funding received in DSG for rising primary rolls and the primary funding allocated within the ISB. Allowing for a small increase in Business Rates, there is a balance remaining of £272,400. This headroom, together with part of the remaining City Learning Centre budget provides the additional funding for PFI schools of £400,000.
- School budgets continue to be supported by reserves; £380,000 will be used in 2016/17. These are one-off balances and are not likely to continue beyond 2017/18 or be included with the new National Funding Formula.

3.5.2 6th Form Funding

The Schools Budget includes funding for High Needs students in 6th Forms. All other post 16 funding is through the National Formula.

3.5.3 High Needs Places £16.0 million

From 2017/18 the place funding for students in Further Education (Wirral Met College and Birkenhead 6th Form) has been transferred into this budget and all future changes to provision will be made from the within this budget and the overall resources available.

Places in specialist provision within Local Authority areas continue to be determined by each LA in consultation with schools and providers. There is flexibility to make adjustments so that places broadly reflected take up by pupils and a number of place changes have been proposed by Wirral. These have been reported to the EFA where necessary and have been reflected in the Schools Budget as follows:

FYE of changes made in 2016/17

Elleray Park increase by 11 places to 110
Stanley increase by 21 places to 120
Lyndale closure and reduction of 40 places
Claremount increase by 10 to 204
Bebington ERP reduce by 5 to 20
Birkenhead Park ERP reduce by 10 to 10
Kingsway Academy ERP reduce by 10 to 20
Birkenhead 6th Form reduce by 5 to 60
Wirral Met College increase by 12 to 72

Changes from September 2017

Claremount increase by 12 to 216
Townfield ERP increase by 1 from 11 to 12
Hilbre ERP increase by 15 to 30
Kingsway Academy ERP closure and reduce by 20
Birkenhead Park closure and reduce by 10
Emslie Morgan AP increase by 20 to 100
Birkenhead 6th Form increase by 5 to 65
Wirral Met College increase by 45 to 117
There are no changes proposed to the Hospital School

The place value changes have an additional cost of £165,600 in 2017/18 and a further £199,000 (FYE) in 2018/19..

3.5.4 Early Years £18.9 million

The provision for 3 and 4 year olds is based on 5,193 children (3,116 FTE) and will roll over at its current level. The EFA have estimated that 1,690 (1/3rd) will take up the extended offer in September 2017 and provision for this has been included within the budget.

The budget reflects the changes to the Early Years Funding Formula which is reported elsewhere on the agenda. The average hourly rate (including supplements) has increased from £3.68 to £4.00, a 9% increase.

Take up of the 2 year old offer has increased during the year and is currently at 80% of those children where eligibility is indicated (1,303 children = 782 FTE). The overall funding has also increased and in 2017/18 it is planned that the hourly rate should increase from £4.85 to £5.12, a 6% increase.

The estimated value of the Early Years Pupil Premium is £180,000, reflecting a take up of about 11%.

3.5.5 SEN Top Ups £17.8 million

The proposed budget for SEN Top Ups is £17.8 million. There is an increase / growth within the High Needs DSG Block of £550,000. Some further information is needed from the EFA to confirm the final adjustments that will be made.

Growth has been allocated to increased places in maintained and Independent Special Schools and to increased top ups as follows.

SEN Top Ups 2017/18

	2016/17	2017/18
	£	£
Statements (£4,174,800)		
Early Years	292,200	450,000
Primary	1,460,000	1,585,000
Secondary (including 6th Forms)	1,827,000	1,920,000
Personal Budgets	108,500	108,500
Other	111,300	111,300
Top Ups (£13,608,500)		
Special Schools (and 6th Forms)	6,406,300	6,527,400
SEN units - resourced and alternative provision	602,000	704,000
EMAP	243,800	367,000
Further Education, 6th Form College and providers	728,000	946,000
Exceptional Need	645,000	504,100
Nursing support	127,100	127,100
Contingency	434,000	314,000
Independent Non Maintained Special Schools	3,689,000	3,770,000
Home Teaching	308,900	348,900
Total	16,983,100	17,783,300

Changes which have been identified as part of the budget review are:

Special Schools. The top up budgets have been increased by £121,100, reflecting additional numbers and also the delegation of central budgets for School Improvement etc.

Statements. A net increase of £375,800, increasing provision within Early Years by 50% and a greater number / cost of IPFA's / EHCP's.

Independent Special Schools. An increase of £81,000. There are currently 89 places, over half of which are at West Kirby Residential School. The proposed budget takes account of these numbers and makes provision for 19 leavers at the end of the summer term and 7 new placements.

Further Education and 6th Form College. An increase of £218,000, mainly in respect of the additional numbers identified in FE college provision.

Exceptional Need a reduction of £141,000. This budget was increased temporarily in 2016-17 to fund the increasing numbers and cost of support of complex and challenging children with high needs. Some pressures have been contained during the year, further work is needed and will be the subject of ongoing reviews.

Contingency. The contingency of £314,000 covers the potential costs of:

- The 90% guarantee to maintained schools to limit the demands on low cost high incidence SEN budgets used to support statements.
- Any unforeseen consequences arising from top ups, exceptional cases or the review of High Needs.
- Any mismatch between provider places and places taken up.
- Inflationary pressures within Non Maintained Special Schools.

The remaining budget is thought to be sufficient at this time taking account of the known commitments in the current year. However there is now little flexibility, meaning budgets will need to be closely monitored.

This is a brief description of the changes that have been put in place with an increased cost overall of £1.2 million. Locally and nationally there are significant budget pressures for High Needs. These have been eased by growth within the High Needs Block Grant allocation and funding from Early Years. However this growth alone does not address all needs. The use of reserves and contingencies give only temporary funding; a more permanent budget framework will need to be established alongside the new national High Needs Formula from 2018/19.

3.6 **Use of Reserves**

DSG reserves held total £2.5 million and were agreed as part of the year end accounts for 2015/16. The Schools Budget for 2016/17 is likely to use £0.9 million of these.

In the 2017/18 budget £0.6 million of reserves will also be used (£380,000 within Schools and £189,000 in High Needs).

This leaves reserves of £1 million which are assigned mainly to costs of pay harmonisation.

3.7 **Other Grant Funding**

The meal rate for Universal Infant Free School meals will stay at £2.30 per meal for the academic year 2017/18.

The SEND Implementation Grant will continue (with funding increased to £217,000 from £196,000) to support the implementation of SEND reforms. In addition a grant is provided to all LA's to support a strategic review of High Needs provision, Wirral has received £132,000.

The funding for Primary PE and Sport and Extended Rights for Home to School Transport are still to be confirmed but are likely to continue.

There is an Education Services Transitional Grant of £943,000. This provides funding for the period April to August 2017 to provide Education Services to maintained schools associated with School Improvement, Education Social Workers, Premature Retirement Costs and other statutory duties. From September however funding is withdrawn. Following guidance from the EFA which says "We recognise the LA's will need to use other sources of funding for Education Services once the General Funding Rate has been removed", maintained schools with the agreement of Schools Forum will contribute £291,600. Proposals for ESG are considered later in this report.

3.8 INFLATION

No direct provision is included within the budget for pay awards. At this stage a 1% award for teaching and support staff is anticipated alongside an Apprenticeship Levy of 0.5%. The additional costs arising from these changes in schools together with the full year effect of changes in 2016/17 will need to be met from existing school budgets.

There is no general provision for price inflation, although costs for school rates and PFI continue to reflect RPI increases.

3.9 CENTRALLY HELD SCHOOL BUDGETS

The budgets held for Contingency, Special Staff (maternity and trade union duties), the School Library Service, Insurance (Governors Aided), Behaviour Support, the Minority Ethnic Achievement Service and FSM Eligibility have been delegated to schools. Schools Forum have de-delegated these areas so they can be held centrally (with the exception of Secondary Insurance).

In addition and new for this year are decisions for the de-delegation of costs associated with School Improvement and General Duties as they relate to the former Education Services Grant.

The centrally held budgets for 2017/18 cover:

- the continuing premature retirement costs of teachers and staff that have arisen from closing schools (£60,000 a reduction of £26,000).
- the cost of licences for copyright and music in all schools and academies resulting from a national agreement (£226,100 an increase of £2,300).
- School Admissions (£341,800).
- Contributions to combined budgets (£875,600).
- Schools Forum £10,600.
- Early Years £518,700.
- The Council funded element of the PFI Affordability Gap £763,500 (including an inflationary increase of £150,000).
- Retained duties re the former Education Services Grant of £730,000.

3.10 Contributions to Combined Budgets

School Funding Regulations continue to allow contributions to support services that would otherwise fall outside the Schools Budget. These budgets combine with other council resources for the educational benefit of children.

There must be no new commitments or increases in expenditure from that agreed in 2012/13 (as confirmed by the EFA in their publication "2017 to 2018 schools funding : historic commitments supplementary guidance for LA's").

The budgets are shown below:-

Discretionary Rate Relief £106,600

This budget funds continuing costs for Discretionary Rate Relief in Voluntary Aided schools.

School Improvement £330,000 (previously £359,900)

This budget supports the continuing funding for existing staff with permanent contracts (3 + admin support).

Local Safeguarding Children's Board £30,000

The LSCB provides governance of child protection arrangements, undertakes serious case reviews, training and employs a Designated Officer for Allegations. The Board is funded from partner organisations including Social Care, Schools, Police, Health and Probation. The £30,000 contribution from the Central Schools Budget matches the amount received from Health. There is also a £10,000 contribution from the High Needs Budget.

School Intervention £136,000 (previously £674,500)

This budget supports the continuing funding for 2 existing staff. The remaining intervention budgets have been delegated to schools.

PFI - City Learning Centres £68,500 (previously £304,700)

The 3 City Learning Centres closed in summer 2016 after which budgets were delegated to schools. There is an ongoing requirement to fund PFI costs for 2 of the 3 buildings. Provision has been made within the council for some costs (£115,700) and also the Home Tuition Service (£40,000). This residual budget is required until a more lasting solution is found.

PFI Support £61,800

A small team within Asset Management manages the PFI contract on behalf of the Council and provides support / advice to PFI schools. This budget provides part of the funding needed to support the ongoing contract management.

LACES £140,500

The service reviews the educational progress of Looked After Children, provides training to staff and some direct support to pupils.

Combined Budget Summary		£
Discretionary Rate Relief top ups		106,600
School Improvement		330,000
LSCB Contribution		30,000
School Intervention		136,000
PFI – CLC's		68,500
LACES		140,500
PFI Support Team		61,800
Governors Forum		2,200
Total		875,600

3.11 Education Services Grant £730,000

In the 2015 Spending review the DfE announced a saving of £600m by removing the ESG General Funding rate for schools from 2017/18. The ESG General rate represents spend on statutory support to maintained schools (not academies), which in future will cover functions such as Internal Audit, aspects of LMS / Finance, Children's Services support, school redundancies and some costs of asset management.

At the same time the EFA have transferred an amount in respect of ESG Retained Duties for all schools and academies into DSG. These duties also cover some of the above and in addition the work of the Education Social Work service. The transferred amount of £730,000 is based on an amount of £15 per pupil.

The Schools Forum agreed to transfer this amount to the Council budget as a contribution to ESG retained services.

In addition £291,600 was agreed (and de-delegated) on behalf of Maintained Primary, Secondary and Special schools towards the part year costs of ESG General Duties from September 2017 (full year cost £500,000).

The position is summarised in the table.

ESG Services

(Estimated costs per 2016/17 Section 251 Budget return)

	Retained Duty	General Duty	School Improvement	Total
Estimated cost	£	£	£	£
Education Social Workers	387,600	-	-	387,600
School Improvement	-	-	302,900	302,900
Asset Mment	80,000	80,000	-	160,000
Strategy / Regulation	532,500	532,500	-	1,065,000
Premature retirement	-	128,300	-	128,300
Health Therapies	-	18,500	-	18,500
	1,000,100	759,300	302,900	2,062,300

	Retained Duty	General Duty	School Improvement	Total
Funding				
Schools Budget / de- delegation	730,000	291,600		
Transition Funding	270,100	467,700		
	1,000,100	759,300		

The Council Budget for 2017/18 includes the remaining plans to manage the overall ESG reduction of £3.4 million next year and specifically the amount in excess of the MTFP of £0.9 million.

Further work will be needed to provide a sustainable level of services over the medium term once the transitional grant is removed.

3.12 **School Improvement Budget and Funding 2017/18**

Separate funding will be put in place for School Improvement. The initial proposals for 2017/18 are summarised as:

School Improvement

	2017/18	Full Year
Estimated Cost		
April to September - Staff and support Intervention	211,000 167,000	
Sept. to March - 3 staff, admin and support Intervention + Consultant HT	280,000 204,000	480,000 350,000
	862,000	830,000
Funding		
ESG Transition	205,200	
Combined Budget	466,000	
De-delegation / buyback	190,800	
	862,000	

3.13 **CHANGES TO THE HIGH NEEDS FUNDING FORMULA**

Following a consultation with schools the Forum considered minor amendments the High Needs Funding Formula at the same time as agreeing the changes in High Needs places.

Changes to amend the Notional SEN budget, the unit value of support and processes to agree Exceptional Needs were not recommended or approved. Members did however agree a change in respect of top up payments for pupils with additional needs. From September 2017 these additional top up payments should only be paid where pupil numbers exceed the available places.

The Forum will continue to review the Formula taking into account the strategic review of provision, cost pressures and the proposed National Funding Formula.

3.14 CHANGES TO THE EARLY YEARS FUNDING FORMULA

The additional Early Years funding Wirral receives in 2017-18 of £1.5m pa is based on an hourly rate which increases from £3.79 to £4.31 per hour. In order to distribute this funding to providers a number of formula changes have been proposed and consulted on. These changes would:

Increase the hourly rate for 3 and 4 year old providers to £4.00 per hour (on average)

Increase provision for additional needs and central support costs.

Increase hourly funding for 2 year olds from £4.85 per hour to £5.12 per hour.

Provide resources to help maintain stability of existing funding for maintained nursery schools (to 2020). Whilst this will fully allocate the "protection" funding received most nursery schools are unhappy with this position and have indicated they will struggle to set a balanced budget

Cap formula supplements paid to 10% of allocated budgets, (Wirral's current percentage is 12%). The new formula proposes that the value of all supplements for deprivation, quality and flexibility are scaled back.

A national Disability Access Fund of £615 will be introduced for children in receipt of Disability Living Allowances.

The rates proposed will be effective from 1 April and will be applied to the Extended 30 Hour Offer from September 2017.

4.0 FINANCIAL IMPLICATIONS

4.1 The budget for 2017/18 is compiled from the base budget for 2016/17 approved by Council on 3 March 2016 and updated for any issues identified in this report.

4.2 The projected budget (DSG, reserves and council contribution) is £252,127,600 and is shown in Appendix 1.

5.0 LEGAL IMPLICATIONS

5.1 The Council is required to agree a Budget for 2017/18 and to inform Primary and Secondary Schools of their individual budget allocations by 28 February (Special Schools and Early Years providers by 31 March)

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

6.1 The Schools Budget makes some limited provision for staff providing support to schools, mainly within budgets for Special Education Needs and Disabilities. Most staff however are employed directly by schools where these decisions are made by governing bodies.

6.2 Schools continue to receive some funding for assets and ICT through Formula Capital Grant Allocations. Most asset funding is directed through the Council's Capital Programme and includes school schemes funded by capital grant allocations for Condition and Basic Need.

7.0 RELEVANT RISKS

- 7.1 There are increasing cost pressures in schools arising from “flat cash” budgets. The additional costs arising from pay awards, the apprentice levy and inflation will not be met from increased budget allocations, instead they will need to be found from efficiency savings. With the exception of Pupil Premium the funding available for schools has not increased since 2011. These cost pressures are causing significant difficulties for schools across the country and Wirral is no exception.
- 7.2 Reports to the Schools Forum have indicated that a significant number of schools are facing deficit budgets. Action is being taken to address the position and to agree a course of action with those schools and governing bodies concerned

8.0 ENGAGEMENT / CONSULTATION

- 8.1 The Budget has been considered by the Schools Forum and changes to Schools, Early Years and High Needs funding formulae have been subject to consultation. The implications for individual schools have been discussed with governors and headteachers.

9.0 EQUALITY IMPLICATIONS

- 9.1 The budget and proposals contained in this report are supported by an Equality Impact Assessment.

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APPENDICES Appendix 1 Schools Budget variations
Appendix 2 Schools Budget summary

SUBJECT HISTORY

Council Meeting	Date
Schools Forum - Schools Budget Report 2017/18	18 January 2017
Cabinet Schools - Budget 2016/17	22 February 2016
Schools Forum - Schools Budget Report 2016/17	13 January 2016
Cabinet Schools Budget 2015/16	10 February 2015
Schools Forum - Schools Budget 2015/16	14 January 2015

APPENDIX 1 SCHOOLS BUDGET VARIATIONS

Schools Budget 2017/18

	£000
Dedicated Schools Grant	250,795
Use of DSG and other reserves	569
Total Grant Funding	251,364

Schools Adj Budget Base	173,215
Add back 2016/17 Academy and High Needs	69,744
	242,959

Change in ISB costs

Net rising rolls	2,343
Rates and rents	46
Transfer from central budgets	842
Transfer PFI Affordability Gap	3,037
Additional funding in for PFI - FM (Headroom and CLC's)	400
Transfer FE places (from EFA)	784
High Needs Places	65
Early Years increase in hourly rates	1,389
Early Years increase 15hr Extension	2,424
Early Years Disabled Access Fund	100
Early Years Pupil Premium	115
	11,545

Changes in SEN / High Needs Costs

Increase in Top Ups	665
Transfer from Central budgets	58
Reduce contingency budgets	(180)
Transfer re Home Tuition PFI	40
Early Years – additional needs	158
	741

Other Changes in Central Costs

Increase (inflation) re PFI contracts	150
Reduce Combined budgets	(823)
Reduce Central Budgets	(3,314)
Contribution re ex ESG	730
Early Years Central costs	140
	(3,117)

Total Schools Expenditure	252,128
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Net Schools Budget	764
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APPENDIX 2 SCHOOLS BUDGET SUMMARY

	Adj Estimate 2016/17	Base Estimate 2017/18
	£	£
Individual Schools Budget		
Primary Schools	93,463,700	100,308,700
Secondary Schools	27,081,100	94,366,800
Special Schools	8,861,700	10,040,000
SEN Bases	1,701,500	2,398,300
EMAP	-	926,700
Wirral Hospital Schools	1,356,300	1,359,100
6 th Form / FE		1,264,000
Early Years	14,673,000	18,888,200
Individual Schools Budget Total	147,137,300	229,551,800
Central School Costs		
Early Years	378,700	518,700
Admissions	341,800	341,800
School closure / retirement costs	86,000	60,000
Licences and subscriptions	223,800	226,100
Schools Forum	10,600	10,600
Contribution to Combined Budgets	1,698,800	875,600
PPM	249,000	-
PFI Affordability Gap	2,886,500	-
Retained Duties – ex ESG		730,000
Costs delegated to / de-delegated from schools		
Library Service	191,700	-
Insurances	32,300	-
Minority Ethnic Achievement Service	104,100	-
School Specific Contingencies	104,300	-
Special Staff Costs	699,700	-
School Meals	21,200	-
Behaviour Support	92,300	-
School Improvement	-	-
High Needs Pupils		
Statements	3,799,000	4,174,800
SEN Top Ups	8,752,200	9,175,600
High Needs Contingency	434,000	314,000
Independent Special Schools	3,689,000	3,770,000
Home Tuition	308,900	348,900
Support for SEN	2,031,500	1,971,500
Special School Transport	58,200	58,200
Non delegated School Costs Total	26,193,600	22,575,800
Total School and Central Costs	173,330,900	252,127,600
Dedicated Schools Grant Total	(172,175,500)	(250,795,200)
Use of Reserves	(568,900)	(568,900)
Grand Total	586,500	763,500