

# WIRRAL COUNCIL

## SCHOOLS FORUM – 4<sup>th</sup> JULY 2018

### REPORT OF THE CORPORATE DIRECTOR FOR CHILDREN

#### SCHOOLS BUDGET MONITORING REPORT 2018/19

---

#### 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.

#### 2.0 ANTICIPATED BUDGET VARIATIONS

2.1 The table attached summarises the Schools Budget for 2018-19. Comments on specific budget areas and associated pressures are set out below.

#### 2.2 Primary, Secondary and Special Schools

Town Lane Infants converted to Academy status as part of a Multi-Academy Trust with 3 Cheshire Schools from 1<sup>st</sup> June 2018. The final balance for this school at the date of conversion will be finalised in the coming months.

Schools converting to Academy status result in a reduction in DSG grant income received, which is matched by reduced spending through the delegated budget. A number of Primary Schools are expected to convert from 1<sup>st</sup> September 2018.

A secondary school is also expected to convert from 1<sup>st</sup> January 2019. As this is a sponsored Academy any balance outstanding at the point of conversion does not transfer to the Academy. As previously agreed Contingency is used for this purpose. The Local Authority is working closely with the school to reduce any anticipated deficit before the conversion date.

#### 2.3 Early Years Grant

The Early Years budget of £20.2m reflects the funding required for 2, 3 and 4 year olds who are entitled to receive free Early Education and Early Years Pupil Premium, as well as the 3 and 4 year old extended offer. The budget for this is based on the January 2018 census.

#### 2.4 Special Staff Costs

This budget is currently projecting no variance, and will be monitored closely throughout the year. It is broken down as follows:

	<b>Budget</b>
	<b>£</b>
Maternity, Paternity & Other Staff Costs	558,500
TU Facilities	82,300
Insurance & Recharges	6,900
<b>Total</b>	<b>647,700</b>

## 2.5 Contribution to Combined Budgets

The combined budgets of £0.9m are broken down as follows:

	<b>Budget</b>
	<b>£</b>
School Improvement	330,000
Discretionary Rate Relief Top Up	106,600
LCSB contribution	30,000
Governors Forum	2,200
PFI Support Team	61,800
LACES	140,500
School Intervention	136,000
CLC PFI	68,500
<b>Total</b>	<b>875,600</b>

It is anticipated that these budgets will be fully committed. The provision and future contractual commitments need to be considered as the Department for Education has indicated that DSG support for these areas will be gradually reduced from 2020-21, although they do not have any specific plans at this stage as to how this will be carried out.

## 2.6 School Specific Contingencies

There is a contingency budget of £95,800 to take into account any specific costs that need to be met. The purpose of this budget is to meet exceptional and unforeseen costs, which would be unreasonable to expect the schools and governing bodies to bear including Business Rates charges in excess of those estimated in the budget, and support for schools in Key Stage 1 where a larger than usual reception class (above the published admission numbers) requires additional staff. As described in paragraph 2.2 any balance remaining at the point of a closing school will also be charged here.

## 2.7 High Needs Contingency

This budget is £280k and is committed to fund the 90% SEN guarantee for maintained schools (£160k in 2017-18).

£20k was also included in the budget to fund unfilled Resource Base Places that remain at £10k. However, the ESFA have made a late adjustment, deducting an additional £104k from Wirral's High Needs allocation to pay directly to Academies where their Resource Base places are empty or where the base is not the pupil's home school (or the places are empty). For these instances Wirral will claim the pupil funding elements from the home school to offset this where appropriate.

In addition to this there are pressures on this budget in 2018-19 of approximately £400,000 (full year cost £650k) for place funding, (as well as increasing top-ups by approximately £240k, full year cost £400k), due to the need to create extra capacity from September 2018 following Education, Health and Care Needs Assessments in Special Schools with limited capacity to admit children over their place numbers. The alternative would be to place the children in more expensive places in Independent Special Schools. These additional demands on the budget will commit the DSG reserve to support High Needs pressures.

## 2.8 High Needs Review (2018-19 Schools Block 0.5% Top-Slice)

£993,300 top-sliced from the Schools Block has been ring-fenced to fund changes resulting from the review of High Needs. The 12 month pilot provision for High Needs bases in Woodslee Primary School, The Observatory School and Oldershaw resulting from the initial review will cost approximately £150,000 in 2018-19 for place funding (full year cost £200,000), as well as increasing top-up costs by approximately £280k (full year cost £390k). In total this 12 month pilot would commit approximately £590k from this budget, leaving a balance of £403,300 remaining at this time.

## 2.9 Special Education Needs Top Ups

A budget of £9.6m funds the Pupil Led Top Up funding in Specialist Provision, Resource Bases, FE, Colleges and Alternative Provision. Budgets have been increased to reflect increased numbers and greater needs moving towards higher top-up bands.

Top-up costs will increase from September 2018 due to the increased places as outlined in 2.7. The Summer Term census figures are not yet available but as previously reported pressures on High Needs budgets continue to increase nationally and this area will continue to be monitored throughout the year.

	<b>Budget</b>
	<b>£</b>
Top Ups for Maintained Special Schools	6,917,000
Top Ups for Resourced provision	724,400
Alternative provision	433,300
FE and 6 <sup>TH</sup> Form Top Ups	946,000
Additional Nursing Support	106,600
Exceptional Needs	504,100
<b>Total</b>	<b>9,631,400</b>

## 2.10 Special Education Needs Statements

The budget has been increased in this area to reflect the greater number and cost of EHCPs. Numbers vary during the year, and will continue to be monitored closely.

## 2.11 Independent Special Schools

The budget in this area was reduced slightly in 2018-19, and is based on 84 students at an average annual cost of £45k. There are currently 78 students placed at Independent Special Schools, although this is likely to increase in September.

## 2.12 Home Tuition

The Home Tuition budget was increased to ensure the service can meet its statutory requirements, and will be monitored and reported to Forum throughout the year.

## 2.13 DSG - £170,320,500

The revised Dedicated Schools Grant (DSG) for 2018/19 will be published in July and will confirm Wirral's allocation.

Original DSG Budget	258,168,300
Academy Recoupment – Schools Block	(82,937,300)
Academy Recoupment – High Needs Block	(3,818,000)
Early Years reduction (Jan-17 census)	(979,000)
	<b>170,434,000</b>

### 3.0 UPDATE ON SPECIFIC RESERVES

3.1 The final figure of DSG reserves carried forward into 2018/19 was £2.3m as follows:

**- Job Evaluation and Pay Harmonisation Reserve - £0.65m**

**- DSG Reserve - £1.5m**

	£
DSG Carry Forward from 2017/18	1,492,100
Further support for former Kingsway Pupils admitted 2017-18	(145,000)
Inclusive Practice Fund	(181,500)
Disability Access Fund	(54,700)
Support for High Needs pressures	(£541,500)
<b>Balance</b>	<b>569,400</b>

**- City Learning Centres - £0.045m**

This reserve will be used for some remaining final closure / school reuse costs in relation to the former City Learning Centres.

**- Early Years £0.094m**

This reserve is expected to fund development in the Early Years Portal.

### 4.0 CONCLUSION

4.1 The Schools Budget will be monitored throughout the year, and any projected variances against budget will be reported to the Forum.

### 5.0 RECOMMENDATIONS

5.1 That the Forum notes the report.

**Paul Boyce**  
**Corporate Director for Children**

## Appendix 1 – Budget Variations 2018/19

### Revised Budget 2018-19

#### Individual Schools Budget

Primary	90,692,500
Secondary	22,388,900
Special	8,964,400
Wirral Hospital Schools	1,354,300
SEN Bases	1,012,000
Alternative Provision	0
6th Form / Further Education	0
Early Years	20,155,100
<b>Individual Schools Budget Total</b>	<b>144,567,200</b>

#### Central School Costs

Early Years	518,700
Admissions	372,200
School Closure / Retirement Costs	60,000
Licenses and subscriptions	233,100
Schools Forum	10,600
Contribution to combined budgets	875,600
PFI Affordability Gap	963,400
Retained duties (ex-ESG)	730,000

#### Costs delegated to / de-delegated from schools

Library service	180,900
Insurances	27,500
School Specific contingencies	95,800
Special Staff costs	647,700
School meals	19,300
Behaviour Support	81,300
School Improvement	166,100
General duties (ex-ESG)	499,300

#### High Needs pupils

Statements	4,280,800
SEN top-ups	9,631,400
High Needs contingency	279,900
Independent Special Schools	3,700,000
Home Tuition	400,500
Exclusions	60,000
Support for SEN	1,971,500
Special School Transport	58,200
Schools Block 0.5% top-slice	993,300
<b>Non-delegated school costs total</b>	<b>26,857,100</b>

#### Total School and Central costs

**171,424,300**

#### Dedicated Schools Grant

**(170,434,000)**

Use of Reserves 0

**Grand Total 990,300**