

WIRRAL COUNCIL

SCHOOLS FORUM – 26th JUNE 2019

REPORT OF THE CORPORATE DIRECTOR FOR CHILDREN SERVICES

SCHOOLS BUDGET MONITORING REPORT 2019/20

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 2019-20. Comments on specific budget areas and associated pressures are set out below.

2.2 Primary, Secondary and Special Schools - £5.869m favourable variance

Bebington High School converted to Academy status as part of the Co-op Multi-Academy Trust from 1st April 2019. The final balance for this school at the date of conversion is currently being finalised.

Schools converting to Academy status result in a reduction in DSG grant income received, which is matched by reduced spending through the delegated budget. At the time of writing, no further academy conversions are expecting during 2019-20.

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 2019 census.

2.4 Contribution to Combined Budgets

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

	Budget
	£
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
Total	875,600

It is anticipated that these budgets will be fully committed.

2.5 Contribution to Combined Budgets

The £10.3m budget relates to place funding in special schools as in 2018-19, including the additional places at 4 schools agreed from September 2018 and 2 additional places at Foxfield School from September 2019. The budget also included 8/12ths of the special school 6th form places (4/12ths deducted by ESFA and repaid within 16-19 grant).

2.6 Special Staff Costs

This budget is currently projecting no variance. However, maternity/paternity costs have overspent the last 2 years so will be monitored closely throughout the year, as this may suggest an increase in delegation may be required. The budget is broken down as follows:

	Budget
	£
Maternity, Paternity & Other Staff Costs	536,500
TU Facilities	84,200
Insurance & Recharges	6,900
Total	627,600

2.7 School Specific Contingencies

There is a contingency budget of £91,100 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.

2.8 Special Education Needs Top Ups

A budget of £11.5m funds the Pupil Led Top Up funding in Specialist Provision, Resource Bases (including pilot bases created from September 2018), FE, Colleges and Alternative Provision. Budgets have been increased to reflect increased numbers and greater needs moving towards higher top-up bands.

Special School top-up budget reflects an increased top-up rate of £10,000 for Kilgarth and Gilbrook following a benchmarking exercise with North West LAs by the former Head of SEN, with the intention that this would relieve pressure on the Exceptional Needs budget.

The Exceptional Needs panel has not met since summer 2018, due to the potential for conflict of interest that could arise from having Special Heads on the panel. The intention was to review the exceptional needs award process, but little progress was made prior to the Head of SEN leaving the authority. A total 22 awards have been made with a 2019-20 cost of £357k in addition to existing awards. However a number of these, along with a number of existing awards, relate to Kilgarth and Gilbrook. These are currently being reviewed in relation to the increased top-up rate, in terms of whether they should still be paid. The award process for Exceptional Needs will also be reviewed.

The alternative provision top-up budget includes full year top-ups for Emslie Morgan at 100 places reducing to 80 places from September 2019, as well as costs of the Progress Pathways placements. The saving made from the closure of Emslie Morgan top-ups will be used towards further alternative provision initiatives.

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.

	Budget £
Top Ups for Maintained Special Schools	7,708,600
Top Ups for Resourced provision	1,038,200
Alternative provision	434,900
FE and 6 TH Form Top Ups	1,700,000
Additional Nursing Support	106,600
Exceptional Needs	504,100
Total	11,492,400

2.9 Special Education Needs Statements

The budget has been increased in this area to reflect the greater number and cost of EHCPs, using the number of units paid during autumn 2018 as the basis (2,500 for primary, 1,900 for secondary). Numbers vary during the year and will continue to be monitored closely.

This area will include costs for a group PFA agreed with Egremont Primary school at £60k per academic year (pro-rata) running from February 2018 to August 2020, and a nurture group at Rock Ferry Primary school costing per £14.5k per year.

It was also agreed to fund cost of a portacabin (installation costs of £7.2k and rental costs of £168 for 2 years) for a Speech therapy room, sensory circuit place, and small intervention room at Clare Mount Special School.

A primary school believe that the former Head of SEN also agreed to fund group PFA at £38k. This is currently being reviewed by the SEN team as the arrangements and timescales are unclear.

2.10 Independent Special Schools

The budget in this area has remained the same as in 2018-19 and is based on 84 students at an average annual cost of £45k. However, there was an overspend of £100k in 2018-19, due to increased cost of placements. There are currently 74 students placed at Independent Special Schools, although this is likely to increase in September.

2.11 Home Tuition

The Home Tuition budget was increased in 2018-19 to ensure the service could meet its statutory requirements. However, due to cost pressures and increased demand (as reported to Forum in May-19), the service overspent by £111k. This budget will be closely monitored and reported to Forum throughout the year.

2.12 DSG - £168,114,800 - £5.869m adverse variance

The revised Dedicated Schools Grant (DSG) for 2019-20 is expected to be published in July and will confirm Wirral's allocation.

Original DSG Budget	264,165,500
Academy Recoupment – Schools Block	(92,067,400)
Academy Recoupment – High Needs Block	(3,049,600)
Early Years reduction (Jan-19 census)	(933,700)
	168,114,800

3.0 UPDATE ON SPECIFIC RESERVES

3.1 The final figure of DSG reserves carried forward into 2019/20 was £2.2m as follows:

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

- **DSG Reserve - £1.1m** (*subject to decision elsewhere on the agenda*)

	£
DSG Carry Forward from 2018/19	1,414,700
Inclusive Practice Fund	(181,500)
Disability Access Fund	(114,200)
Balance	1,119,000

- **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 Services

Appendix 1 – Schools Budget
2019-20

	Revised Budget 2019-20
Individual Schools Budget	
Primary	85,814,000
Secondary	23,481,700
Special	10,328,600
Wirral Hospital Schools	1,354,300
SEN Bases	1,108,000
Alternative Provision	0
6th Form / Further Education	0
Early Years	20,203,500
Individual Schools Budget Total	142,290,100
Central School Costs	
Early Years	518,700
Admissions	372,200
School Closure / Retirement Costs	60,000
Licenses and subscriptions	246,600
Schools Forum	10,600
Contribution to combined budgets	875,600
PFI Affordability Gap	1,118,400
Retained duties (ex-ESG)	730,000
Costs delegated to / de-delegated from schools	
Library service	170,100
Insurances	25,900
School Specific contingencies	91,100
Special Staff costs	627,600
School meals	0
Behaviour Support	86,000
School Improvement	159,100
General duties (ex-ESG)	493,900
High Needs pupils	
Statements	5,715,100
SEN top-ups	11,492,400
High Needs contingency	310,000
Independent Special Schools	3,700,000
Home Tuition	400,500
Exclusions	60,000
Support for SEN	2,150,200
Special School Transport	58,200
Non-delegated school costs total	29,472,200
Total School and Central costs	171,762,300
Dedicated Schools Grant	-168,114,800
Use of reserves - High Needs deficit	-2,343,200
LA contribution - SEN restructure	-186,000
Grand Total	1,118,300