

1.	Meeting:	Rotherham Schools' Forum
2.	Date:	7 th March, 2013
3.	Title:	Total Schools Budget Monitoring Report as at 31st January 2013
4.	Directorate:	Children and Young People's Services

5. Summary

This report confirms the Total Schools budgeted allocation for 2012/13 and projected outturn against this budget using expenditure up to 31st January 2013.

The Total Schools budget available after the latest revision to the Dedicated Schools Grant allocation, the EFA post 16 funding for 2012/13 and the DSG Carry-forward from 2011/12 is £180.926m. Compared to the initial estimate this equates to a reduction in available funding of £3.479m.

The current projected outturn against the above budget based on expenditure up to the 31st January 2013 is an under-spend of £666k, including the projected RoSIP under-spend of £380k and agreed carry-forwards of £1.321m to 2012/13 financial year.

6. Recommendations

That the Schools' Forum receives and notes confirmation of the Total Schools Budget allocation for 2012/13

That the Schools' Forum notes the current projected outturn position for the year 2012/13 and confirms agreement to the proposed virements.

That Schools' Forum consider the carry-forward of RoSIP budget into 2013/14

7. Revision to Total Schools Budget

The total schools budget was originally £184.405m, (made up of Dedicated Schools Grant £183.345m, EFA post 16 funding £1.372m and a carry forward deficit balance of £312k from 2010/11). The revised total schools budget is £180.926m. The reduction of £3,479m is due to the following:

a) Dedicated Schools Grant

DSG had been estimated at £183.345m including an estimate for academy recoupment. The allocation announced in October was £179.590m, a reduction of £3.755m due to the following:

Recoupment for existing Academies was £179k higher than estimated
Recoupment for Academies converting in year was £3.576m.

An adjustment to Thurcroft Junior's recoupment figure has been made since then, giving £58k back to the Local Authority to manage the Resource Unit. This has resulted in a revised DSG allocation of £179.648m an overall reduction of £3.697m.

b) Post 16 Funding

Post 16 funding from the EFA was confirmed at £1.214m being £158k less than the estimate.

c) Projected Carry-forward of DSG

The projected carry-forward of DSG from 2011/12 was estimated to be a £312k deficit. The actual carry-forward (excluding requested carry-forwards) was a surplus of £64k.

The overall effect on available Total Schools Budget is summarised in the table below.

Total Schools Budget	Original Estimate	Revised Allocation	Reduction
	£'000	£'000	£'000
Dedicated Schools Grant	183,345	179,648	3,697
EFA Post 16 Special Education	989	959	30
EFA Post 16 Threshold	383	255	128
Carry Forward from 2010/11	-312	64	(increase) 376
Total	184,405	180,926	3,479

8. Total Schools Budget Projected Outturn 2012/13

The forecast outturn position is projected to be a £666k under spend based on the budget monitoring returns from budget holders for the period ending 31st January 2013. Details are shown in Appendix 1.

This projection includes all approved carry-forwards from 2011/12.

The projection also includes the RoSIP projected under spend of £380k, Should this balance be approved for carry forward into 2013/14 the projected outturn across the remaining Total Schools Budget is a £286k under spend.

This position has improved by £322k since the last reported figure summarised in the following table and detailed further in section 8.1.3.

Budget	Amount	Change
School Rates	£7k	Surplus
Behaviour Support	£29k	Increase in Surplus
PVI Nursery Education	-£60k	Deficit
Pupil Referral Units	£83k	Reduction in Deficit
Redundancy Contingency	-£19k	Deficit
Early Years Contingency	£198k	Surplus
Maintained Nurseries	£60k	Surplus
Special Educational Needs	£78k	Reduction in Deficit
SEN Extra District Places	-£68k	Increase in shortfall
PRU Additional C/fwd	-£124k	Additional DSG needed
Recoupment Contingency	£198k	Additional DSG available
Exceptional Needs Payments to Academies	-£62k	Additional DSG needed
Small variances across remaining budgets	£2k	
TOTAL	£322k	

8.1.1 Budget Virements

Budget Virements are proposed as follows:

School Rates

£6k proportion of Thurcroft Junior and St Bernard's rates relating to pre Academy conversion transferred to school budgets.

Rotherham School Improvement Partnership

£78k transfer to Wickersley Comprehensive for Central Team and other related costs.

£27k transfer to Primaries for Graduate Teacher Programme Term 2

£17k Key Stage 2 funding transferred to Primaries

£20k transfer to Wickersley Comprehensive for NLE deployment

£20k transfer to Lead Schools

£1.4k transfer to Wickerlsey St Alban's for work on KS2 budget

£21k transfer to Swinton Queen Primary for KS2 work

Learning Support Service

£58k transfer of budget for Thurcroft Resource Unit due to School's conversion to Academy.

Special Educational Needs

£244k SEN funding transferred to Special Schools

£7k SEN funding transferred to Primaries

£31k SEN funding transferred to Secondaries

8.1.2 Delegated Schools Budgets

For the purposes of this report the forecast outturn position on schools DSG is estimated to be a balanced position. However, it should be noted that schools have reported a £4.807m projected under spend as at the end of December.

8.1.3 The main variances against Revised Budget allocations are as follows:

School Rates Contingency

Actual Rates charges for 2012/13 have been verified at £2.442m leaving a surplus balance of £7k

Pupil Referral Units and Agreed Carry Forward.

PRU's had previously been projecting a combined overspend of £91k.

The latest projection is a combined over spend of £8k broken down as follows:

Projected over spends on The Bridge £24k, Riverside PRU £9k, Transport £21k and Education Other than at School £19k.

Offset by under spends on St Mary's £27k, Rowan Centre £4k and ARC £34k.

The overall reduction in projected deficit is mainly due to factoring in the agreed carry forward from 2011/12 of £127k. The initial DSG budget had been set factoring in a carry forward of £3k in line with the 10% threshold agreed in previous years for Partnership PRU's. As a result of the full Carry Forward of £127k being agreed an additional £124k of DSG was needed. This has been funded from the £64k 2011/12 unallocated DSG carry forward and by taking £60k from the Estimated Grants adjustment line.

Behaviour Support

£120k projected under spend has increased by £29k from the previous projection due to staff slippage and additional training income.

Private, Voluntary and Independent Nursery Education

Projecting a £60k over spend due to Dinnington Primary children transferring from the Maintained sector to the Children's centre from September 2012. Any overspend can be funded from the Early Years contingency budget. (See below).

PVI and Maintained Early Years Contingency Budget

Due to the uncertainty in the number of children moving into PVI and Maintained early years settings, the contingency budget of £198k had previously been fully committed to fund any potential shortfalls in the PVI and Maintained Early Years budgets however this forecast has been revised and will not be required for the current financial year.

Due to the transfer of Dinnington Primary children the funding required for the Maintained budget has fallen resulting in a £60k surplus. As a result the overall contingency pot has increased to £258k, of which the PVI budget will require £60k to fund their forecast overspend. (Dinnington children)

Redundancy Contingency

This budget is now projecting an over spend of £19k due to the potential implications of a tribunal case.

Special Educational Needs

An over spend of £522k is now being projected. The reduction of £78k on the previous projection is due to delays in the start dates for two residential placements.

SEN Extra District Placements

The projected shortfall has increased by £68k on this budget to £79k. This is due to increased placement costs exceeding the recoupment of income from external placements.

Extended Services

An £165k under spend has been incurred against the £300k carried forward from 2011/12 to fund projects up to the end of August 2012.

Rotherham School Improvement Partnership

Currently an under spend of £380k is projected. The service requests that this balance be carried forward to 2013/14.

Estimated Grant Adjustment

This line is not a budget as such but a reconciliation line to account for the unallocated grant generated from the difference between the initial budgets set and the changes to the value of Total Schools Budget available. The surplus generated by this balance currently stands at £475k and has increased from the previous report by £138k. This increase is due to £198k transferred from the Delegated Schools Budget as a contingency for Academy recoupment. This has been offset by the £60k taken to fund part of the additional PRU carry forward.

Exceptional Needs Payments to Academies

The Local Authority is required to pay Exceptional Needs Payments to Academies. The 2012/13 payment has been confirmed as £62k.

9 Finance

The financial issues are discussed in section 8 above and included in Appendix 1.

10 Risks and Uncertainties

Principal risks and uncertainties relate to the 'needs led' nature of budgets in relation to Special Educational Needs pupils.

11 Policy and Performance Agenda Implications

12 Background Papers and Consultation

This report will be discussed with the Strategic Director of Children and Young People's Service and the Strategic Director of Finance.

Contact Name:

Amy Skelton – Principal Finance Officer (Children and Young People's Services),
Financial Services ext: 22045, email Amy.Skelton@rotherham.gov.uk