

ROTHERHAM BOROUGH COUNCIL – REPORT TO SCHOOLS FORUM

1.	Meeting:	Rotherham Schools Forum
2.	Date:	3 rd October 2014
3.	Title:	Total Schools Budget Monitoring Report as at 31 st August 2014
4.	Directorate:	Resources – Financial Services Children and Young People's Services

5. Summary

This report confirms the Total Schools budgeted allocation for 2014/15 and projected outturn against this budget based on expenditure up to the 31st August 2014.

The Total Schools budget available after confirmation of the Dedicated Schools Grant allocation, the EFA post 16 SEN funding for 2014/15 and the DSG Carry-forward from 2013/14 is £151.705m (after deductions for Academy recoupment). Compared to the initial estimated grant funding this equates to a decrease in available funding of £10.357m.

The current projected outturn against the above budget based on expenditure up to the 31st August 2014 is an over spend of £1.346m (0.89% over budget), including the agreed carry-forward allocations from 2013/14 to 2014/15 financial year.

6. Recommendations

That the Schools Forum receives and notes confirmation of the revised Total Schools Budget allocation for 2014/15.

That the Schools Forum notes the current projected outturn position for the year 2014/15.

7. Revision to Total Schools Budget

The total amount of grant funding available to Rotherham for the current financial year was originally estimated at £162.062m. The actual amount available has now been confirmed as £151.705m as a result of the following:

DSG for the Schools Block had been estimated at £129.231m including an estimate for academy recoupment. The actual recoupment figure is higher following the conversion of Wickersley Comprehensive, Maltby Redwood, St Josephs, Sitwell, Ashwood, Thrybergh and Dalton Foljambe Primary Schools. This resulted in a further reduction to the Schools Block of £12.694m. The budget has also been reduced by £120k to reflect the deduction of grant by the EFA to pay for the cost of copyright licences for 2014/15. The revised School Block also includes a net increase of £816k for the carry forward of unspent grant from 2013/14.

DSG for the High Needs Block had been estimated at £19.114m including an estimated reduction from the EFA for the direct funding of high needs places. The actual adjustment by the EFA was higher which resulted in a further reduction of £6k. The High needs block was increased by a further amount of £264k which was additional Early Years funding in respect of 2013/14 as advised in the June Total Schools Budget report. The revised High Needs block also includes the carry forward of £485k from the Early Years Block in 2013/14 and a net adjustment of £284k as a result of the High Needs carry forward over spend being less than anticipated at the 31st March 2014.

Post 16 SEN funding from the EFA has now been confirmed at £805k. This is an increase of £161k from the anticipated grant which was advised in June due to a correction in the number of post 16 student numbers previously submitted to the EFA.

DSG for the Early Years Block had been estimated at £13.073m. The actual allocation from the EFA has increased by £453k due to an adjustment to the baseline funding as a result of an increase in early years pupil numbers on the January 2014 census data.

The overall effect on available Total Schools Budget has been a reduction of £10.357m to the original estimate.

	Original Allocation	Revised Allocation	Reduction
	£'000	£'000	£'000
Schools Block	129,231	117,233	-11,998
High Needs Block	19,114	20,141	1,027
Early Years Block	13,073	13,526	453
Total Dedicated Schools Grant	161,418	150,900	-10,518
EFA Post 16 Special Education	644	805	161
Total Schools Budget	162,062	151,705	-10,357

8. Total Schools Budget Projected Outturn 2014/15

The forecast outturn position is projected to be a £1.346m over spend based on the budget monitoring returns from budget holders for the period ending 31st August 2014. Details are shown in Appendix 1.

8.1.1 Budget Virements

Budget virements for the period from April to August 2014 are as follows:-

Schools Block Virements

School Effectiveness Service

£35k transferred to Badsley Moor Primary for schools of concern funding and £400 transferred to Herringthorpe Junior School for Head Teacher Appraisal.

Contingencies

£50k transfer of Schools in Financial Difficulty funding to Greasbrough Primary. A transfer for redundancy payments of £2k to Greasbrough Primary, £1.5k to Winterhill and £7.5k to Rawmarsh Comprehensive School.
£382k Growth Fund Allocations transferred to Primary Schools.

Rates

Allocation of rates budgets to Wickersley £1k and £75k to Wath Comprehensive Schools prior to academy conversion.

High Needs Block Virements

Special Schools Delegated Budget

£4.191m original element 3 top up funding and £152k additional in year funding for exceptional needs for the period April to July 2014 transferred from SEN budget.

Special Educational Needs(Top up Funding)

Virements to Special School budgets as outlined above less £218k transferred from Primary and £15k from Secondary Delegated budgets to adjust in year element 3 top up funding for mainstream schools.

Special Educational Complex Needs

£140k was transferred from the Complex needs placement budget to the Children and Families Disability Service to fund the cost of 3 private care packages for children with a Disability and special educational needs.

Early Years Block Virements

Nursery Delegated Budget

A reduction to the Early Years budget for maintained Nursery Schools of £15k for the estimated cost of rates not yet allocated pending confirmation of actual figures.

Primary Delegated Budget

A reduction of £959k for early years funding in respect of payments due to Academy Schools.

8.1.2 Delegated Schools Budgets

For the purposes of this report the forecast outturn position on schools the DSG is estimated to be a balanced position. However, it should be noted that schools have reported a £2.218m under spend as at the end of August 2014.

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

Schools Block (£37k under spend)

Behaviour Support Service

Under spend of £12k due to staff slippage of £3k, under spend on premises costs £4k and supplies £6k offset by £1k over spend on transport costs.

Children in Public Care

Under spend of £7k due to staff slippage of £11k offset by over spend of £1k on premises costs and £3k supplies.

Contingency

Over spend on Pupil Growth Fund allocations to Primary Schools of £12k and under spend of £24k on copyright licences due to actual costs being lower than estimated.

Trade Union Activities

Under spend of £7k forecast due to additional income from Academies £9k offset by additional staffing costs of £2k.

High Needs Block (£1,856m over spend)

Special Educational Needs

Forecast over spend of £980k due to educational equipment £126k, support packages £16k, out of authority independent non maintained school placements £923k, Speech and Language Therapy £33k offset by projected under spend of £88k on exceptional needs payments to mainstream schools and additional income of £30k from Schools for permanently excluded pupils.

Post 16 to 24 Provision

Forecast over spend of £379k on post 16 SEN element 3 top up funding to Further Education Providers based on current placements.

SEN Complex Needs

Forecast over spend of £491k on out of authority placements in independent non maintained special schools for pupils with statements of SEN.

SEN Extra District Placements

An under spend of £109k has been projected due to lower than expected top up funding for placements in other Local authority maintained schools £88k and additional income of £21k recouped from other Local authorities.

Hearing Impaired Service

Over spend of £75k due to staffing costs of £55k. Temporary staff appointed to meet the needs of an increase in the number of pupils at the resource units at Bramley and Wickersley and insufficient funding for increments and pay awards. Over spend of £10k on specialist equipment, £2k training costs, additional transport costs £2k and a £6k income shortfall.

Visually Impaired Service

Over spend of £13k due to staffing costs of £14k due to insufficient funding for increments and pay awards offset by additional income of £1k.

Learning Support and Autism Communication Team

Forecast under spend of £9k due to staff slippage of £11k, offset by £2k over spend on training costs and advertising of vacant posts.

Portage Service

Forecast over spend of £19k due to 16k staffing costs as a result of insufficient funding for increments and pay awards and premises costs £3k.

Home Tuition Service

Forecast over spend of £15k due to additional tutor hours based on current numbers.

Early Years Block (£473k under spend)

Early Education Funding for 2 Year Olds

Forecast under spend of £473k due to lack of take up of places in September term. 2 Year old numbers are significantly lower than expected in the original budget forecast. There is potential claw back of grant in 2015/16.

9 Finance

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

10 High Needs Block Budget Pressure

The Director of Schools and Lifelong Learning has issued the following statement in respect of the current budget pressure on the High Needs Block:-
‘The demands on the High Needs Budget continue to grow, not least because of a significant increase in the number of young children with complex needs being referred for Education, Health and Care plan assessments. The Schools Forum has agreed to establish a High Needs sub group to better understand these pressures and how the High Needs funding is determined. As part of the Special Educational Needs and Disability transformation, work is underway to develop new ways of working and structures which meet the demands of the new duties whilst reducing administrative costs, not least to meet the Council’s target of saving £1.2m from the special needs budget between 2014 and 2016. The DFE has recently commissioned an external review of how funding provided to schools and local councils for those children and young people with special educational needs and a disability is calculated, which will contribute to future education funding reforms. Until then however, the mainstream DSG

provides the main source of funding to deal with any growth in the number of children and young people with high levels of need.'

11 Risks and Uncertainties

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

12 Policy and Performance Agenda Implications

13 Background Papers and Consultation

This report has been discussed with the Strategic Director of Children and Young People's Service, the Director of Schools and Lifelong Learning and the Strategic Director of Finance.

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