

SCHOOLS BUDGET MONITOR 2015-16 QUARTER 1

Report of the Director of Education and Early Intervention

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1 Purpose

- 1.1 To inform Schools Forum of the quarter 1 position for the Schools Budget 2015/16 at 30th June 2015.

2 Background

- 2.1 Government funding for schools by way of the Dedicated Schools Grant (DSG) means that any variances in the Schools Budget are “ring fenced” and cannot be used elsewhere. Details of the variances in the forecast revenue outturn against the Schools Budget are outlined in Section 3 below.
- 2.2 The Schools Budget for 2015/16 is as follows:

Description	Amount £m's
Schools Delegated Budget including sixth form grant	540.330
Schools Non-Delegated Budgets	7.876
Schools Central Budgets	53.971
Net Schools Budget including use of carry forward	602.178
Academies Recoupment	281.129
Gross Schools Budget including Academies Recoupment	883.307

3 Schools Budget Variances

- 3.1 The forecast underspend within the schools budget for 2015/16 is £2.5m. The table below provides a more detailed breakdown of the underspend:

Description	Latest Approved Budget £m's	Forecast Over / (Under) Spend £m's
Schools Delegated	540.330	-5.697
Schools Non-Delegated	7.876	0.139
Schools Central Budgets	53.971	-2.591
Schools Grants & Other Funding including use of carry forward	-602.178	5.611
Total	0.000	-2.537

3.2 **Schools Delegated** – Underspend of £5.697m

3.2.1 The main element of this underspend represents the budget shares of newly converted academies of £5.897m including a forecast for schools expected to convert in September. This allocation is no longer required as the academies have been funded directly by the DfE. There is an offsetting loss reported under Schools Grants & Other Funding (see 3.5.1).

3.2.2 The underspend is partially off-set by a £0.200m overspend on Special School places.

3.3 **Schools Non-Delegated** – Overspend of £0.139m

3.3.1 The overspend of £0.139m represents two main elements. There is an overspend of £0.291m on the Growth fund due to the requirement to fund Academies Growth fund allocations in the summer term as they are funded on an academic year basis.

3.3.2 This is off-set by a £0.152m underspend which constitutes a reserve for the High Needs budget which, at this stage, it is not anticipated will be required.

3.4 **Schools Central Budgets** – Underspend £2.591m

3.4.1 The underspend is made up of three main areas, the largest being an underspend on Independent School Placements of £2.225m due to lower number of pupils being forecast in placements than originally anticipated.

3.4.2 The Keeping Children in Local Provision (KCLP) Service is expected to underspend by £0.105m. The service is carrying a number of vacancies as it is currently under review pending the outcome of recommendations from a review of Autism provision.

3.4.3 Specific Learning Difficulties (SPLD) provision is currently under review following retirement of the SPLD Advisor. As such the SPLD provision budget is reflecting an underspend of £0.125m, pending the outcome of the review.

3.4.4 Other small variances create an additional underspend of £0.136m.

3.5 **Schools Grants & Other Funding** – Overspend of £5.611m

3.5.1 The overspend comprises of 3 elements, the largest of which relates to the loss (overspend) of DSG of £5.896m as a result of schools that converted/converting to academy status due to in year academy recoupment (see 3.2.1 for the impact on the Delegated Schools Budget). This is off-set slightly by a saving on Rates as a result of this conversion (£94k).

3.5.2 In addition there is £100k overspend due to reduction in DSG in respect of additional places deducted by the EFA in non-maintained special schools and alternative provision in free schools.

3.5.3 These overspends are offset by £291k additional DSG income in respect of the Growth fund. There is an offsetting overspend reported on the Growth fund.

4 Conclusion

4.1 The Forum is asked to note and comment on the quarter 1 monitor position.