

TO: SCHOOLS FORUM
DATE 25 FEBRUARY 2010

LOCAL AUTHORITY PROPOSALS FOR THE 2010-11 SCHOOLS BUDGET
(Acting Director of Children, Young People and Learning)

1 PURPOSE OF REPORT

- 1.1 The purpose of this report is to update members of the Schools Forum on the Schools Budget for 2010-11 and to seek views on:
- i. Final budget proposals from the Local Authority (LA), and
 - ii. Whether requests from the LA to exercise its statutory decision making powers are agreed.
- 1.2 Comments are being sought now on these updated proposals as this is the last opportunity to make changes before the Executive Member for Education agrees the final budget in March.

2 RECOMMENDATIONS

2.1 That the Schools Forum RECOMMENDS to the Executive Member for Education that the 2010-11 Schools Budget includes:

- 1. the unavoidable budget pressures as set out in the shaded column of Annex B calculated at £2.051m;**
- 2. the economies and new budget developments as set out in the shaded column of Annex C calculated at £0.980m, which includes the new proposal to allocate £0.020m to schools in respect of reactive maintenance and the remaining £0.040m balance of unallocated funds to schools, 85% based on pupil numbers and 15% via a fixed lump sum amount (paragraph 5.23);**
- 3. funding secondary schools for deprivation through weighted pupil eligibility to free school meals reverts to using the census data available at the January prior to the commencement of the relevant financial year (paragraph 5.15);**
- 4. that the fee payable to Early Years providers of the free entitlement to education and childcare is increased by 3.6% at April 2010, equivalent to the average increase in per pupil funding for statutory aged pupils in maintained schools (paragraph 5.21);**

2.2 That the Schools Forum AGREES the following decisions that it is solely responsible for:

- 1. that the school specific contingency for 2010-11 be set at £0.308m and that a new specific contingency of £0.145m be set aside for providers of early years education and childcare (paragraph 5.25 (1), Table 4);**
- 2. That as a result of these budget proposals, that the Central Expenditure Limit be exceeded by £0.375m (paragraph 5.25 (2));**

- 3. That the Minimum Funding Guarantee payment due to Brakenhale Secondary School be fully removed by the end of the 2012-13 financial year with the resultant savings redistributed within the Schools Budget (paragraph 5.25 (3));**
- 4. That £0.036m be added to the combined services budget to support Education Health Partnerships and families subject to domestic abuse (paragraph 5.25 (4)).**

2.3 That the Schools Forum NOTES the resultant budget for each service as set out in Annex D.

3 REASONS FOR RECOMMENDATIONS

- 3.1 Regulations require the Schools Forum to be consulted on relevant budget proposals, and when requested, to consider whether any of the statutory budget decision making powers need to be exercised.
- 3.2 The views of the Schools Forum are now being sought so that they can be considered before final decisions on the Schools Budget are taken by the Executive Member in March.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 These have been previously considered during the budget consultation stage.

5 SUPPORTING INFORMATION

Background

- 5.1 At its meeting on 28 January 2010, a report was presented to the Forum which set out preliminary proposals from the LA in respect of the Schools Budget for 2010-11. This included confirmation that to help schools with their preliminary financial planning, indicative budgets had been distributed in December, which as previously agreed, had been based on decisions of the Acting Director.
- 5.2 The previous report outlined the objectives used to develop the budget (see Annex A), based on information available at that time, and presented a set of affordable budget proposals which would allow for a steady and constant increase in budgets to all schools and would fully fund unavoidable cost pressures as well as all of the newly identified budget developments, with £0.175m 'headroom' remaining that was also allocated to schools.
- 5.3 At the same time, the proposals reflected the government's key objectives of targeting appropriate levels of funding to schools with the greatest levels of deprivation and developing a number of combined education and social care initiatives that support the Every Child Matters Agenda.
- 5.4 Members of the Forum agreed that these initial proposals dealt with all the key issues facing the Schools Budget and that they should form the basis of final budget proposals to be presented to this meeting. It was also recognised that the initial budget proposals were based on a mix of January 2009 and October 2009 census data that would be

updated in January 2010, and therefore all reported amounts would be subject to change.

- 5.5 As there is a statutory requirement to have published the budget by the end of March, which also requires ratification by the Executive Member for Education, this report represents the final opportunity for the Forum to make comment on LA proposals for the 2010-11 budget.

Final budget proposals for 2010-11

Estimated level of Dedicated Schools Grant funding

- 5.6 Members of the Forum will be aware that the main source of income to the Schools Budget is the Dedicated Schools Grant (DSG) and that the Council's DSG allocation is determined by multiplying the guaranteed amount of per pupil funding by the actual number of pupils on roll each January. This headcount includes pupils at maintained schools, 3 and 4 year olds in private, voluntary and independent (PVI) sector settings and pupils receiving education out of school or out of borough in PVI special schools.
- 5.7 Provisional data from the actual January 2010 census has now been analysed together with updated estimates for other pupil numbers, the effect of which is that DSG income and year end balances are now forecast to be £0.136m more than previously expected.
- 5.8 Whilst there is expected to be a high degree of accuracy relating to the pupil numbers forecast in maintained schools, which have increased by 5 from the previous estimate, and College Hall Pupil Referral Unit, that have increased by 13, the numbers available for other settings are not so robust. In particular, the estimated number of pupils in PVI early years settings are still based on January 2009 numbers. This is due to unexpected delays in receiving updated information from providers through the national postal system. Taking this into account, at this stage the budget for DSG income and payments to PVI early years providers are based on last year's information as this approach should minimise the impact from any changes that will inevitably arise when the January 2010 data is received.
- 5.9 The remaining net increase of 8 pupils now anticipated to be funded through the DSG relates to an increase in the number of pupils in PVI special schools and for the first time, including traveller education pupils not registered on the roll of a school.
- 5.10 As set out above, there remains the possibility that pupil numbers will change following data checking by schools and the DCSF, especially in respect of data from non-maintained schools and early years providers in the PVI sector. Confirmed numbers will not be released by the DCSF until June, which will be after the point when budget decisions have to be taken. Therefore, the contingency of £0.240m included in the previous budget report is proposed to remain to cover a possible over estimate of DSG income or to meet unforeseen increases in costs on centrally managed budgets. Should the final DSG income be significantly different from that anticipated when the Executive Member makes final budget decisions in March, the Forum will be informed of any adjustments to the budget that are made.
- 5.11 Table 1 below sets out a summary of estimated Schools Budget income received by the Council and identifies the net change from the forecast made to the Forum in January.

Table 1: Breakdown of estimated DSG and balances for 2010-11

Ref	Item	2010-11
1	Pupil numbers in maintained schools	14,250
2	Pupils other than in maintained schools	721
3	Total estimated pupil numbers	14,971
4	Annual change	0.8%
5	Guaranteed per pupil DSG funding	£4,367.28
6	Annual change in per pupil DSG funding	4.6%
7	Total Estimated DSG Income	£65.328 m
8	Contingency	-£0.240 m
9	Estimated DSG for allocation to Schools Budget	£65.142 m
10	Total budget from previous year	£62.111 m
11	Estimated Change in DSG	£3.031 m
12	Annual change	4.9%
13	Estimated DSG and balances reported in January	£2.895 m
14	Annual change compared to January	+£0.136 m

Note, the impact arising from the estimated balance from 2009-10 is no longer shown in the analysis of income, and is instead included below in paragraph 5.12 as a budget development

Changes from those proposed in January

- 5.12 This section sets out the changes in funding needed for pressures and developments from the amounts estimated in the January budget report. Therefore, the figures quoted represent the adjustment now proposed, and not the total budget requirement.
- 5.13 The Council requires the Schools Budget to be balanced and not planning to carry forward an over spend at the end of each three year spending period. As 2010-11 is the final year of the current plan, it will need to cover all anticipated costs in the year, plus fund any brought forward deficit. The balance currently estimated at the end of 2009-10 is a deficit of £0.060m, an increase from the £0.017m estimate made last month, with the cost increases mainly arising from special educational needs (SEN) expenditure and an increase in the number of teachers on maternity leave as these absence costs are funded through a budget managed by the LA. A budget provision therefore needs to be set aside to repay this.
- 5.14 The majority of budget allocations to schools for pupil led funding must be based on actual head count data collected from schools each January. At the time of writing this

report, it has only been possible to complete provisional calculations of the effect of the school census on individual school budget allocations as data checking and calculations are still in progress. Based on current data, pupil budget allocations to mainstream schools, excluding allocations to fund the free entitlement to early years education and childcare have reduced next year by £0.127 million. For Kennel Lane Special School, there is a £0.001m increase in funding. It can be seen that an unexpected outcome has occurred from the census update in that the funding allocation to schools has reduced when the DSG pupil numbers have increased slightly. This is due to a number of 4 year olds previously expected to be receiving part time education for DSG purposes will in fact receive full time education.

- 5.15 In respect of changes in funding allocations to providers of early years education and childcare, the Forum will recall that an application has been made to the DCSF to implement the new Funding Formula from April 2010, which is one year earlier than the statutory deadline. At The implementation date has now been confirmed as April 2010. This means that original budgets for providers will need to be set on the actual hours participation in the 2009-10 financial year. As January 2010 data has yet to be received and verified, January 2009 hours will need to be used at this time of the budget setting process. Based on these assumptions, the initial budget requirement has been estimated at £3.396m, which is a reduction of £0.018m compared to the previous estimate.
- 5.16 The school census also provides updated numbers of pupils with English as an Additional Language, free school meals (FSM) eligibility and other core data that is used to distribute funds to schools. Overall, excluding deprivation funding allocated to schools based on the proportion of pupils eligible to an FSM, there has been an increase in the funding allocated through non-pupil related factors of £0.038 million. This mainly relates to £0.038m more funding than anticipated to cover the cost of providing a free school meal for pupils as overall numbers have increased by 15% from last year. Further details have also been received in respect of amendments to rating revaluations at schools which are estimated to increase costs by £0.016m. Finally, there are a number of other data changes that result in a cost pressure of £0.012m, which includes a new pressure of £0.002m to fund for Kennel Lane Special school to ensure relevant staff receive hepatitis B vaccinations (this looks expensive – how many staff at what cost each?). As elements of the budget have been amended, there has also been a re-calculation of the Minimum Funding Guarantee and this is now £0.028m lower than previously estimated. Taking account of the revised data, an amended proposal for dealing with the impact on Brakenhale school from that previously agreed in now set out in paragraph 5.25.
- 5.17 In respect of deprivation funding allocated to schools based on the proportion of pupils eligible to a FSM, the January report reminded members of the Forum of the unexpected outcomes from the January 2009 census around pupil eligibility to FSM in secondary schools where numbers had reduced by 12% from January 2008. To maintain stability of funding, the Forum agreed that 2009-10 budgets for secondary schools should be based on the January 2008 data, with a subsequent decision that the data to be used in 2010-11 would be confirmed at this meeting. As the January 2010 census shows a 15% increase in eligibility to FSM in secondary schools, it is proposed to use this latest data for 2010-11 budgets. Funding allocated on this basis is £0.001m less than the provisional £0.060m anticipated in the previous report.

Members of the Forum are reminded that the main criteria for pupil eligibility to a free school meal is where parents / guardians are in receipt of income support.

- 5.18 More work has been undertaken on the likely cost of making preparations for the new Jennett's Park Primary School in advance of the September 2011 opening. At this stage

the expectation is that a head teacher will be in post at January 2011, with other staff following after Easter. Other funds are available to service the temporary governing body, some equipment and materials and recruitment. Overall, costs are now expected to be £0.002m higher.

- 5.19 The cost of support provided to statemented pupils in mainstream schools has also been updated from a costed schedule of pupils. This indicates an increase of £0.009 million on the previous forecast. There has been an increase of 3 pupils receiving a statement, with average costs, excluding inflation, increasing by 0.9%.
- 5.20 There are two further changes now proposed on budgets to be allocated to schools. In respect of the funding allocated to primary schools to fund the costs of the school meals catering contract, a further £0.010m savings can now be made. This reflects the overall 17% annual increase in take up on paid meals and 15% increase in FSM. The increase in take-up reduces the average meal cost, and therefore required subsidy, as fixed costs become a smaller proportion of total costs. The second change now proposed relates to the funding allocated to schools undertaking their own admissions (Voluntary Aided) to deal with any resultant appeals. The previous meeting was informed that this item was identified through the consultation with schools as a potential area of cost pressure. Relevant schools were asked to provide details of costs which on analysis, identified a £0.003m pressure in the secondary school, which is now proposed to be funded. The administrative costs in schools arising from the process are a normal school cost and are not therefore included in any cost pressure calculation.
- 5.21 In respect of budgets managed by the LA, placements costs for special educational needs pupil are now calculated at £0.046m higher than last month, and a relevant increase in budget is therefore proposed. Reviewing the level of need in the school specific contingency, including arrangements to support the new funding formula for early years providers indicates that a further £0.078m needs to be added to the budget. More information on this item is set out below in paragraph 5.25. Finally, additional rental income of £0.005m is expected to be received at the Primary Professional Centre, and a budget saving can therefore be made.
- 5.22 The Forum has previously agreed that funding increases for Early Years providers should receive a funding increase equivalent to the average increase in budgets for maintained schools. The budget proposals have been built on this basis and allow for a 3.6% funding increase (this is included above in paragraph 5.14). The Forum is recommended to agree that the Executive Member approves this rate of increase.

Net effect of proposed changes

- 5.23 Table 2 below summarises the financial effect of the changes now being proposed compared to those supported at the last meeting in January. A breakdown of all the proposals, including those where no change are set out in the Annexes. Annex B details unavoidable pressures with Annex C showing economies and new developments. The Annexes set out original proposals, changes now recommended as well as the final proposal.

Table 2: Summary of changes to budget proposals

Para Xref	Item of change from January report	2010-11 £ k
5.12	Estimated overspend from 2009-10	+60
5.13	Mainstream pupil numbers / KLS places	-126
5.14	Early Years providers	-18
5.15	January 2010 census (excluding pupil numbers)	+38
5.16	Deprivation funding - pupil eligibility to a free meal	-1
5.17	New Jennett's Park Primary School	+2
5.18	Support to statemented pupils in mainstream schools	+9
5.19	Subsidy for primary school meals	-10
5.19	Admissions appeals in VA schools	+3
5.20	Increase in SEN placement cost	+46
5.20	School specific contingency	+78
5.20	Increase rental income at Primary Professional Centre	-5
	Sub total	+176
	Change in income (line 14 Table 1)	136
	Net balance (- under / + over allocated)	-60

- 5.24 Therefore, an estimated £0.060m remains unallocated in next year's budget that is available for distribution to schools. In such instances, the agreed budget strategy is that this would be allocated 85% to schools based on the number of pupils on roll, and 15% as a fixed allocation to each school. One amendment to this strategy is now proposed and this relates to providing more funds for schools to tackle re-active maintenance. Many schools buy into the Council's buildings management service and the budget has not been sufficient to meet all the requested works. Furthermore, there has been a £1.110m increase in the amount of capital related priority 1 capital maintenance works and this is likely to put pressure on re-active maintenance to complete temporary fixes. Therefore £0.020m of the unallocated balance is proposed to be allocated for this purpose, and £0.040m on the general 85%:15% basis.

Summary of provisional Schools Budget position

- 5.25 Table 3 below sets out a summary of the updated cost calculations, should the proposals set out in this paper be supported. Annex D provides a detailed breakdown of the budget by type of service delivery.

Table 3: Summary Schools Budget proposals for 2010-11

Item	2010-11 £ k
Change in DSG Income	£3,031 4.9%
Change in Expenditure:	
<u>Delegated school budgets and Early Years Providers:</u>	
Total pressures (unavoidable)	£444
New Jennetts Park Primary School	£22
Total inflation (unavoidable)	£1,064
Total economies	-£30
Total new developments	£643
Total increase delegated school budget	£2,144
Cash	4.2%
Per pupil	4.6%
<u>LA managed budgets:</u>	
Total pressures (unavoidable)	£351
Total inflation (unavoidable)	£171
Total economies	-£5
Total developments	£311
Total increase in LA managed budgets	£828
	7.4%
Repayment of estimated deficit from 2009-10	£60
Total overall increase	£3,031

Decisions for the Schools Forum

5.26 Statutory regulations have conveyed powers to the Schools Forum in respect of certain decisions around the Schools Budget. Assuming the budget proposals made in this report are supported, then the Forum will need to agree the following:

- 1 That the level of school specific contingency for 2010-11 be set at £0.453 million. A breakdown of the relevant amounts in the current year, and those now proposed for next year are set out below in Table 4.

Table 4: Elements of the school specific contingency

Item	2009-10	2010-11	Change
<u>Maintained schools</u>			
1. General provision for errors or exceptional costs	23	33	10
2. In-year change in support to SEN pupils (reflects current year spend)	65	85	20
3. Exceptional pupil growth (5 classes)	100	113	13
4. Change in number / needs at Kennel Lane Special School	10	10	0
5. Exceptional SEN costs	31	31	0
6. Year on year budget protection for losses greater than 5%	15	30	15
7. Inflation	0	6	6
Total excluding Early Years	244	308	64
<u>Early Years providers</u>			
8. General provision for errors / growth	0	100	100
9. Sustainability Fund	0	25	25
10. SEN Fund	0	20	20
Total Early Years	0	145	145
Total Contingency Budget	244	+453	+209

It can be seen that a number of changes are proposed, the most significant of which relate to Early Years providers, and this reflects the need to make a provision to meet any unforeseen costs arising from the funding reforms that will be implemented in April and also funding for developments identified by the Provider Representative Group during the planning process.

- 2 There is also an impact on the Central Expenditure Limitation (CEL) from these proposals. If Local Authority budget proposals result in a greater percentage increase in centrally managed budget items than those proposed for combined delegated school budgets, including LSC funded sixth forms, and Early Years PVI providers, the CEL requires consent from the Schools Forum for the proposals to proceed. The budget proposals previously supported by the Forum allow for a significant increase in unavoidable SEN expenditure. Using the DCSF toolkit to calculate CEL, these budget proposals result in LA managed expenditure being around £0.370m above the CEL.

- 3 The previous meeting agreed that the high per pupil funding received by Brakenhale as a result of the top up funding of £0.171m received through the Minimum Funding Guarantee (MFG) was no longer warranted and would be removed on a phased basis over the next three years at £0.057m per year. Updating the Brakenhale budget from the January 2010 census has reduced the MFG top-up to £0.110m. This has mainly arisen as extra funds have been allocated through an increase in pupil eligibility to FSM which results in a £ for £ reduction in MFG funding. In light of the £0.061m reduction in MFG funding through the normal operation of the Funding Formula, it is now proposed that no further reduction is made in 2010-11, but that the funding is still fully removed over the next three years. The new proposal is that MFG funding is fully maintained in 2010-11, with the 2011-12 and 2012-13 amounts being half the previous year's calculated value. Based on current data, Brakenhale would

receive £0.111m MFG in 2010-11, £0.055m in 2011-12 and a final allocation of £0.028m in 2012-13.

- 4 As set out in the previous budget report, within the budget developments, there that are two items that are proposed to be classified as combined service budgets as they relate to the Every Child Matters Agenda and current funding provisions are no longer available. This relates to the Education Health Partnership (£0.030m) and support to families facing domestic abuse (£0.006m). The Schools Forum has to agree to any budgets categorised in this way. There is currently funding of £0.664m for these types of activity.

Potential for further change

- 5.27 Should any further changes to these proposals be required, they will be presented to the Executive Member for a decision in March, and reported to the Forum in the new financial year. Due to the on-going process of checking and confirming data used for budget setting purposes, both by the LA, maintained schools and other providers, there is the possibility that this will identify the need to make amendments to these proposals.

Conclusion

- 5.28 The financial position of the Schools Budget has improved from that anticipated when the budget report was presented in January. However, there are some uncertainties over income and costs, which are planned to be managed through the contingency proposals.
- 5.29 This paper presents a set of affordable budget proposals which allow for a steady and constant increase in budgets to all schools and full funding in 2010-11 for all identified unavoidable cost pressures and new budget developments, with £0.235m 'headroom' remaining that has been added to school budgets. At the same time, the government's key objectives of targeting appropriate levels of funding through deprivation measures to those schools with the greatest levels of deprivation and developing combined education and social care initiatives that support the Every Child Matters Agenda have also have been met.
- 5.30 When determining where the increase in DSG should be applied in the Schools Budget, the Executive Member for Education will consider any recommendations from the Schools Forum, as well as any new information that arises. These decisions will be taken in March, with schools receiving their budget notifications shortly afterwards.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

- 6.1 The relevant legal requirements are contained within the body of the report.

Borough Treasurer

- 6.2 The financial implications arising from this report are set out within the supporting information and present a budget that can be funded from the overall level of anticipated resources.

Impact Assessment

- 6.3 Impact assessments will be undertaken on the budget proposal agreed at this meeting in advance of the final budget decisions of the Executive Member which are due to be taken in March.

Strategic Risk Management Issues

- 6.4 A sum of £0.240m has been deducted from the anticipated level of DSG income over the next two years to meet the possibility of an over estimation of pupil numbers and the costs of unpredictable or unforeseen items that would represent in year budget risks. There is a further £0.453m proposed for the school specific contingency to meet the cost of other forecast in-year budget pressures and £0.200m if required to support schools in financial difficulty. The Executive Member will need to consider whether sufficient contingencies have been set aside in the budget.

Other Officers

- 6.5 There are no issues arising from this report that are relevant to other officers.

7 CONSULTATION

Principal Groups Consulted

- 7.1 Schools Forum.

Method of Consultation

- 7.2 Report from the Acting Director of Children, Young People and Learning.

Representations Received

- 7.3 Not applicable.

Background Papers

Schools Forum (England) Regulations 2008

School Finance (England) Regulations 2009

Reports to Schools Forum:

28 January 2010, School Budget proposals for 2010-11 and other financial matters

Various DCFS guidance notes on School Funding

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Budget Strategy – 2008/9 to 2010/11

Taking account of the requirement to minimise the number of changes to budgets within a Spending Review Period, and to have regard to government spending priorities, the following strategy is proposed in setting the Schools Budget:

1. To help schools with their financial planning, indicative budgets should be made available to schools before the end of autumn term. This requires outline agreement from the Schools Forum on all areas of the Schools Budget – both delegated and LA retained – for each remaining year of the Spending Review Cycle.
2. Aim for steady and consistent increases to delegated school budgets in each year, thereby removing the potential for significant fluctuations in funding.
3. Fund unavoidable school and LA managed pressures and developments as a first priority. This ordinarily covers meeting the MFG, inflation, change in pupil numbers and other data used for funding purposes, such as pupil eligibility to a FSM, numbers and needs of SEN pupils, including those places outside of the Borough. It also applies to funding full year effect costs from a new development that started part way through the previous year.
4. Maintain current level of deprivation funding in schools at 90% of proportion included in Dedicated Schools Grant (DCSF targeting LAs below 80%) through implementation of the key recommendations from the review of funding schools for deprivation which was to introduce new funding factors based on number of Looked After Children and those with English as an Additional Language. If after these changes, deprivation funding remains below the 90% target level, then the outstanding requirement would be met by allocating 75% of the balance based on low prior attainment and 25% on pupil eligibility to a free school meal.
5. Despite the DCSF deprivation focus, all schools should receive a reasonable increase in funding.
6. After taking account of these objectives, views of schools and the Schools Forum to be taken into account in agreeing the allocation of the remaining “headroom” to new budget developments.
7. Should any funds remain after meeting all identified budget pressures, they will be allocated 85% based on an equal amount per pupil, and 15% as an equal amount per school. This method of allocation also to be used if no obvious alternative method exists.

**Unavoidable Budget Pressures – original proposals
compared to final proposals**

Item	2010/11 Provisional £'000	2010/11 Final £'000	Change £'000
<u>Delegated School Budgets</u>			
1. Inflation Most items receive standard increase at level of Minimum Funding Guarantee (2.1%). Exceptions where previously agreed by the Schools Forum for inescapable costs such as rates, insurances and other bought back services.	1,064	1,064	0
2 Mainstream School pupil numbers Information from the January 2010 census has resulted in a provisional figure being calculated for 2010-11.	250	126	-127
3 Early Years providers Information from the January 2010 is not fully available yet, but based on a revised estimate, the funding requirement has changed. This is subject to verification and review.	87	69	-18
3 New Primary School for Jennetts Park The developers building programme has slipped a year with the school now expected to open in September 2011. Funding has provisionally been allocated to support some preliminary activities that will need to be undertaken before the school opens.	20	22	2
4 Special School pupil numbers / needs Anticipated placements at Kennel Lane Special school have been agreed with the school and continue the recent trend of accommodating a higher proportion of pupils with the most severe and costly needs. The school is expected to remain full with around 170-180 pupils.	83	84	1
5 Mainstream School SEN statements The number of statemented pupils in mainstream schools has increased by 3 and there has been a rise in the average cost of support.	40	49	9
6 Non-pupil data changes Besides pupil numbers changes, there are other data changes that can impact on funds allocated to schools. The main changes in 2010-11 relate to an anticipated rise in the number of pupils eligibility to free school meals, significant school redevelopments, attainment data and pupil mobility.	72	110	38

Item	2010/11 Provisional £'000	2010/11 Final £'000	Change £'000
<p>7 Fee to Independent Safeguarding Authority Fee payment to the Independent Safeguarding Authority, was previously anticipated to be in place from October 2009 but will not now be fully operational until July 2010. This improves the process of background checks required on people working with children. It includes the current enhanced CRB check and adds continuous monitoring and updating of an individuals' status. This will cost an extra £28 per person.</p>	9	9	0

Total unavoidable changes on delegated school budgets	1,625	1,530	-95
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Item	2010/11 Provisional £'000	2010/11 Final £'000	Change £'000
<u>Council Managed Budgets</u>			
8. Inflation Most items receive standard increase at level of Minimum Funding Guarantee (2.1%). SEN at 1% based on the fee expected to be negotiated with providers.	170	170	0
9. SEN provisions and support Based on provisional costed pupil schedule, the cost of placements in private, voluntary and independent sector schools is anticipated to continue to grow into 2010-11. There is also a pressure to fund sensory impairment support provided through the Primary Care Trust.	243	290	47
10. SIMS licence fee increase The purchase of software migration in a phased approach, with the cost spread over a 5 year period, for the migration of the Capita ONE (EMS) software from its outdated Powerbuilder environment to Dot Net (.net) technology. Impacts mainly on assessment and monitoring and early years provider data.	40	40	0
11. Occupational therapy service for schools Provision of an occupational therapy service based at Kennel Lane School has ensured independence, fine motor skills and equipment needs are identified and appropriate plans and resources are put in place to enhance the pupil's access to the curriculum. The service works closely with the PCT and as well as providing individual assessments looks at the needs of all children and the school environment. The full year cost of operating the service needs to be added in 2010-11.	21	21	0
Total unavoidable changes on Council managed budgets	474	521	47
Total unavoidable changes on Council managed budgets	2,099	2,051	-48

Proposed new budget developments and economies

Item	2010/11 Provisional £'000	2010/11 Final £'000	2010/11 Change £'000
<u>Delegated School budgets</u>			
1 School Meals The average meal cost of the Caterhouse School Meals contract has reduced as meal take up increases. The expectation is that performance will continue to improve, reducing costs further although this is subject to annual checking.	-20	-30	-10
2 Additional 0.5% inflation allowance Cost of adding 0.5% to the 2.1% minimum funding increase required by the DCSF. This is the top up to MFG rate.	236	236	0
3 IT Hardware Replacement Replacement programme for school IT hardware, much of which was initially funded from one-off government grants. To supplement funding in Devolved Formula Capital and set in place a rolling replacement programme for servers, workstations and interactive white boards / projectors. 2010/11 is the final growth allowance for this item.	90	90	0
4 Impact of workforce census requirements and other administrative pressures This item was proposed by Headteachers at the December meeting with the LA and has been costed at providing an average of 3 hours weekly support per primary school and 5 hours per secondary.	80	80	0
5 Re-active building maintenance This item is proposed as the re-active maintenance budget is insufficient to meet demand from schools. There will be further pressure in the new year from the limited works possible through the capital programme.	0	20	20
6 Admissions appeals in VA schools This item was identified by a school through the annual finance consultation. An increase in funding is proposed to cover the external costs of administering the appeals process.	0	3	3
7. Unallocated balance After funding all identified pressures a balance of funds remains to be allocated to school, 85% by reference to pupil number sand 15% as an equal amount per school, as set out in the budget strategy.	175	215	40
Total new developments on delegated school budgets	561	614	53

Item	2010/11 Provisional £'000	2010/11 Final £'000	Change £'000
<u>Council Managed Budgets</u>			
6. Additional 0.5% inflation allowance Cost of adding 0.5% to the 2.1% minimum funding increase required by the DCSF.	27	27	0
7 School specific contingency A view on the level of contingency required for next year is set out above in paragraph 5.25. It reflects the anticipated increase in school rolls and also the increased risk around early years budgets arising from the new funding formula.	125	203	78
8 Reductions in grant A number of grants used to support education related activities have either been reduced or re-prioritised, the result of which is that a number of services face reduced funding from April 2010. A pressure arises to maintain services in Early Years Special Educational Needs Co-ordinators (£20k), Education Health Partnerships (£30k), support to anti-bullying (£10k), resources for schools to support Social and Emotional Aspects of Learning (£10k) and support for children who are from families subject to domestic abuse (£6k).	76	76	0
9 Emergency procedures support to schools An emergency procedures support service is currently provided to schools without charge by Forestcare. This supports cascade of the Broadmoor alarm to relevant schools, being a first point of contact for parents, police and journalist in emergencies, including school closures for bad weather, and holding 24 hour a day emergency contact details of relevant duty staff in schools to support emergency procedures. The costs for this service should be funded through the Schools Budget and is proposed to be a centrally managed budget item.	5	5	0
10 Additional rental income Additional income is anticipated at the Primary Professional Centre following an increase in lettings..	0	-5	-5
10 Repay 2009-10 forecast overspend The current year end balance for the Schools Budget is for a forecast deficit. A budget needs to be set aside to finance the repayment.	0	60	60
Total new developments on Council managed budgets	233	366	133
Total new developments on Council managed budgets	794	980	186

Objective Budget Book Analysis – 2010-11

Budget item	2009-10 Original Budget	Change Proposed	2010-11 Original Budget	Annual Change
<u>Delegated School Budgets</u>				
Primary	£26,186,870	£1,023,850	£27,210,720	3.91%
Secondary	£22,029,980	£923,190	£22,953,170	4.19%
Special	£2,704,280	£197,150	£2,901,430	7.29%
	£50,921,130	£2,144,190	£53,065,320	4.21%
<u>SEN provisions and support</u>				
External pupil placements	£4,472,490	£219,760	£4,692,250	4.91%
Sensory impairment support to schools	£0	£115,000	£115,000	n/a
Teaching and support services	£802,950	£29,030	£831,980	3.62%
Crownwood LAL	£120,160	£1,200	£121,360	1.00%
Traveller Education	£74,400	£740	£75,140	0.99%
	£5,470,000	£365,730	£5,835,730	6.69%
<u>Combined Services</u>				
Procurement Specialist	£31,580	£1,100	£32,680	3.48%
Margaret Wells Furby Resource Centre	£163,710	£5,680	£169,390	3.47%
Young people in sport	£17,440	£610	£18,050	3.50%
Attainment of LAC	£109,780	£3,810	£113,590	3.47%
English as an Additional Language	£50,000	£1,740	£51,740	n/a
Common Assessment Framework	£41,040	£1,430	£42,470	3.48%
Maintaining LAC in BFC	£60,780	£2,110	£62,890	3.47%
Education Health Partnerships	£0	£30,000	£30,000	n/a
Families subject to domestic abuse	£0	£6,000	£6,000	n/a
	£474,330	£52,480	£526,810	11.06%
<u>Education out of school</u>				
Pupil Referral Service	£681,040	£17,710	£698,750	2.60%
Home and group tuition	£257,400	£6,690	£264,090	2.60%
	£938,440	£24,400	£962,840	2.60%
<u>Pupil behaviour</u>				
CMCD	£31,060	£810	£31,870	2.61%
Behaviour Support Team and others	£449,510	£26,680	£476,190	5.94%
	£480,570	£27,490	£508,060	5.72%
<u>Early Years</u>				
PVI Providers	£2,324,920	£58,790	£2,383,710	2.53%
SEN Co-ordinators and others	£137,000	£21,390	£158,390	15.61%
	£2,461,920	£80,180	£2,542,100	3.26%
<u>Other items</u>				
Official staff absence	£285,200	£7,680	£292,880	2.69%
Licence fees	£67,970	£41,760	£109,730	61.44%
Practical learning options	£234,300	£6,060	£240,360	2.59%
School Specific Contingency	£243,950	£64,260	£308,210	26.34%
Early Years Specific Contingency	£0	£145,000	£145,000	n/a
Premature retirement costs	£52,300	£1,350	£53,650	2.58%
School Admissions	£153,720	£3,970	£157,690	2.58%
Schools in financial difficulty	£204,470	£0	£204,470	0.00%
Standards Fund	£71,000	£1,000	£72,000	1.41%
Other	£51,700	£5,450	£57,150	10.54%
	£1,364,610	£276,530	£1,641,140	20.26%
<u>Balance</u>				
Repayment of 2009-10 estimated deficit	£0	£60,000	£60,000	n/a
Total	£62,111,000	£3,031,000	£65,142,000	4.88%