

**TO: SCHOOLS FORUM**  
**DATE 15 MARCH 2012**

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**LOCAL AUTHORITY PROPOSALS FOR THE 2012-13 SCHOOLS BUDGET**  
**(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 2012-13 and to seek views on:
- i. Final budget proposals from the Local Authority (LA), and
  - ii. Whether requests from the LA to the Forum 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 for the Forum to make budget recommendations which the Executive Member for Education will be requested to agree on 20 March.

**2 RECOMMENDATIONS**

- 2.1 That the Schools Forum **RECOMMENDS** to the Executive Member for Education that the 2012-13 Schools Budget includes funding the budget proposals as set out in the shaded column of Annex B calculated at a total of £1.576m;
- 2.2 That the Schools Forum **AGREES** the following decisions that it is solely responsible for:
1. that the school specific contingency for 2012-13 be set at £0.302m (paragraph 5.30 (1), Table 3);
  2. That the combined services budget that supports joint education and children's social care initiatives is set at £0.691m (paragraph 5.30 (2)).
  3. That in agreeing the budget proposals, the central expenditure limit can be exceed by the required amount (paragraph 5.31);
- 2.3 That the Schools Forum **NOTES**:
1. That most units of resource used in the BF Funding Formula for Schools will be frozen at 2011-12 rates, as would the hourly funding rates paid to early years providers (paragraph 5.4);
  2. That to comply with the latest DfE requirements, the schools contingency budget will be restructure so that SEN related funding that is allocated to schools in-year is held as a discrete SEN budget (paragraph 5.30 (1));
  3. Some centrally managed budgets will need to be restructured in year to reflect the academy funding related DSG top-slice (paragraph 5.35);
  4. That the 2012-13 budget for each service is 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 Forum's 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 presented as final recommendations for the 2012-13 Schools Budget to the Executive Member for Education.

### **4 ALTERNATIVE OPTIONS CONSIDERED**

- 4.1 These have been considered during the budget consultation stage and previous reports to the Forum.

### **5 SUPPORTING INFORMATION**

#### Background and update from previous meeting

- 5.1 At its meeting on 9 February 2012, a report was presented to the Forum which set out preliminary proposals from the LA in respect of the Schools Budget for 2012-13. These proposals reflected the latest funding information from the government which has frozen per pupil funding rates to 2011-12 values and preliminary calculations of pressures and developments.
- 5.2 Based on the information available at that stage, it was estimated income would increase by £1.503m and that there would be net pressures of £2.962m, resulting in a budget gap of £1.459m. In order to move towards a balanced budget, the Forum agreed that a number of pressures and developments could not proceed and that they should be removed from the final budget proposals that the LA would present at this meeting. The items that would not to be funded fell into 3 categories as follows, with more details set out in Annex A:
  - a. Pressures not recognised by the government in the funding settlement.
  - b. Desirable, not essential new developments.
  - c. Alternative funding source identified.
- 5.3 Removing these pressures meant that the following items were expected to be affordable and therefore included in next year's Schools Budget, with an unallocated balance of £0.066m, with more details set out in Annex B.
  - a. Increase in pupil numbers, including expanding the new Jennett's Park Primary School to a 2 form of entry admission from September 2012
  - b. Increase in numbers and average needs of pupils with SEN.
  - c. Increased funding rates for schools in support of SEN pupils to reflect actual costs being incurred by schools
  - d. Non pupil data changes that impact on the Funding Formula e.g. eligibility to free school meals.
  - e. Set up costs for new SEN resource units to allow for significant medium to long term savings
  - f. Funding for schools to purchase non-statutory services from Education Welfare and Education Psychology Services.

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- g. Additional tuition to a range of pupils receiving alternative education provision outside of schools.
  - h. The increased incidence of school classroom staff being absent through statutory maternity leave.
  - i. Contribution to the Family Intervention Project to reflect the education benefits arising from reduced truancy, exclusions and bad behaviour.
- 5.4 A consequence of these provisional decisions was that most units of resource used in the BF Funding Formula for Schools would be frozen at 2011-12 rates, as would the hourly funding rates paid to early years providers in the private, voluntary and independent (PVI) sector (excluding any previously agreed transitional funding adjustments).
- 5.5 It was also recognised that the initial budget proposals were based on a mix of January 2011 and October 2011 census data that would be updated with January 2012 actuals, and therefore all reported amounts would be subject to change.
- 5.6 The Forum also agreed that the proposals presented covered all the key issues required for next year's budget and that no other areas needed to be considered. It was also recognised that whilst the Forum agreed that the draft budget proposals allowed for a balanced budget, this would only be possible by not funding all of the unavoidable pressures that schools would face, such as teacher and other staff pay increments, increases in employer contributions to the local government pension scheme and general inflationary pressures. Therefore, schools are facing real terms funding cuts and it is possible that as a consequence of the tight financial settlement, there may be an increase in the number of schools facing financial difficulties.
- 5.7 More up to date budget information is now available, and as there is a statutory requirement to publish the budget by the end of March, this report represents the final opportunity for the Forum to make recommendations to the Executive Member for the 2012-13 budget.

### Final budget proposals for 2012-13

#### *Estimated level of Dedicated Schools Grant and other income*

- 5.8 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 of £4,861 by the actual number of pupils on roll each January. This headcount includes pupils at maintained schools, 3 and 4 year olds in PV) sector settings and pupils receiving education out of school or out of borough in PVI special schools.
- 5.9 The previous report indicated that estimating the number of 3 and 4 year olds at each census has proved to be the most difficult element of this calculation and the final census data for these children may be significantly different from that indicated on the October census data, and this is the case.
- 5.10 Provisional data from the January 2012 census in respect of 3 and 4 year olds shows a 72.6 increase in full time equivalent places. There is an increase of 16.7 statutory aged pupils, with an increase of 8 children in non-BFC maintained special schools or who are receiving education outside school. Overall, these changes result in funding for an extra 97.3 children being received, which equates to an increase in the DSG estimate from last month of £0.473m.

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- 5.11 There remains the possibility that pupil numbers will change following data checking by schools and the DfE, especially in respect of data from non-maintained schools and early years providers in the PVI sector where past experience has shown that this data is often subject to change. Confirmed numbers will not be released by the DfE until June, which will be after the point when budget decisions have to be taken. Therefore, the contingency of £0.243m included in the previous budget report is proposed to remain to cover a possible over estimate of DSG income or to meet unforeseen in-year 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 later this month, the Forum will be informed of any adjustments that are made.
- 5.12 There has also been a revision to the forecast surplus balance at the end of 2011-12 which will impact on the level of one-off funding available to support next year's budget. The carry forward for planning purposes is now estimated to be £0.230m, the amount already included in the current base budget and therefore, there are no additional resources available to fund costs in 2012-13 from that included in the 2011-12 base budget. The previous report incorrectly added all of the estimated carry forward anticipated at that time - £0.400m – as a funding increase to the base budget but this now needs to be removed. In respect of the reduced forecast surplus, the main areas of change relate to £0.251m additional costs associated with supporting pupils with SEN, which is partially offset by a £0.097m saving on early years provisions and support services. Both of these late changes are expected to continue into 2012-13, requiring permanent budget changes.
- 5.13 The overall effect of these changes, including the £0.066m unallocated balance of funds reported in February, indicates that there is expected to be £0.139m more income than previously anticipated. Annex C sets out a summary of the forecast changes.

### *Changes to the budget proposals made in February*

- 5.14 This section only sets out the changes in funding against items which are now proposed to be amended compared to the amount reported in February. Therefore, the figures quoted represent the adjustment now proposed, and not the total budget requirement. Annex B sets out the total budget changes now being proposed.

### Budgets delegated to schools and PVI early years providers

- 5.15 The majority of budget allocations to schools for pupil led funding must be based on actual head count data collected from schools and other providers each January. Based on current data, budget allocations to mainstream schools for statutory aged pupil, including a lump sum adjustment for the new primary school at Jennett's Park to reflect expansion to a second form of entry from September 2102 have increased by £0.003m.
- 5.16 In respect of changes in funding allocations to providers of early years education and childcare, paragraph 5.10 above indicated a significant increase in funded pupils in maintained schools and this translates to a £0.091m pressure. This is lower than expected from the increase in funded children, and arises due to schools being funded on termly participation, and not just January take-up, which tends to have higher participation than other funding census points. Overall, take-up has increased by 42 full time equivalent children (23,955 hours).

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- 5.17 In respect of PVI early years providers, there is not expected to be any significant change in cost from the current financial year. As set out above in paragraph 5.12, there is a budget under spending which is expected to continue, allowing for a £0.088m reduction to be made against next year's budget.
- 5.18 The school census also provides a range of non-head count which is used for the purposes of funding schools. The January data indicates that allocations for pupil eligibility to a free school meal are £0.144m less than previously expected. The main reason for the change relates to a very significant correction being made against the data supplied by one school at the October census which results in a funding reduction of £0.126m compared to the amount included on the indicative budget that was sent to the school in December. There has also been an increase in uptake in school meals, and this results in an additional allocation of £0.013m. Overall, these data changes result in £0.129m less funds being allocated to schools.
- 5.19 The cost of support provided to statemented pupils in mainstream schools has also been updated from a costed schedule of pupils as at the end of January. This indicates a cost increase of £0.284m, which is £0.219m greater than the forecast provided at the last meeting and continues the cost pressure being experienced in the current financial year. The full year effect of the latest costed schedule shows that compared to January 2011, there are an extra 27 pupils (+9.7%) with a statement (up from 278 to 305), with the average cost of support also increasing, by 8.1% to £5,928. The reasons for this increase are still being investigated, with initial information indicating that more children are staying on in school, which meant the anticipated cost reduction in the second half of the year did not materialise, and increased needs and numbers which arise both from pressures from schools for additional funding and the general increase in school population.
- 5.20 An impact from the increase in numbers of statemented pupils is that the cost review exercise to fund schools for statemented pupils at the actual level of spend has increased by £0.031m to £0.101m.
- 5.21 There is one further change now proposed on budgets to be allocated to schools and this relates to fully delegating to schools the cost of internet and broadband services. Following the completion of the new contract which has a different delivery model, there is no longer a need to centrally manage part of the budget and therefore an additional £0.072m is proposed to be allocated to schools. This further amount is proposed to be distributed on the existing basis of 40% as a fixed amount per school and 60% as an amount per pupil. There is no financial effect from this change as there will be a compensating saving on the budget currently managed by the Council.
- 5.22 As elements of the budget have been amended, and more resources allocated to schools, there has been an impact on the Minimum Funding Guarantee and this is now £0.064m lower than previously estimated, with 5 schools receiving top up funding which totals to £0.060m.

### Budgets managed by the Council on behalf of schools

- 5.23 As well as pressures on SEN budgets in schools, there are also additional pressures on centrally managed SEN budgets. Non-maintained special schools costs are forecast to increase by a further £0.041m and committed additional support arrangements for pupils accessing the sensory consortium service are anticipated to increase by £0.030m.

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- 5.24 There are two other changes proposed to Council managed budgets. Firstly, there is the £0.072m saving arising from delegating to schools the balance of budget held for the internet and broadband service which is set out above in paragraph 5.21. Secondly, there has been a revised calculation of school costs associated with the carbon reduction commitment (CRC), with additional costs of £0.005m now expected to complete the purchase of carbon allowances.
- 5.25 Finally, consideration needs to be given to the level of school specific contingency. Members of the Forum will be aware that all this funding is allocated to schools and other providers, with the main commitments relating to funding in-year increases in the cost of supporting children with SEN, significant increases in the number of pupils admitted by a school between January and September, and changes in take up of the free entitlement to early years education and childcare. Reviewing these elements of costs, taking account of actual changes in 2011-12 and those forecast in 2012-13, no change is proposed on the total funding in the contingency although a re-alignment against different items is required.
- 5.26 The DfE has issued instructions to LAs relating to the school specific contingency, indicating that any funding held for in-year changes in financial support to schools relating to pupils with special educational needs should not be held in the contingency, but added to a specific special educational needs budget that is initially managed by LAs. Therefore the amount agreed for this purpose needs to be moved out of the contingency into a new budget line.

More information on the proposals for the schools contingency is set out below at paragraph 5.30 (1).

### *Net effect of proposed changes*

- 5.27 Table 1 below summarises the financial effect of the changes now being proposed compared to those supported at the last meeting in February which presents a balanced budget. A breakdown of all the proposals, including those with no change is set out in Annex B.

Table 1: Summary of changes to budget proposals

Para Xref	Item of change from February	£ 000
	<u>Additional income:</u>	
5.3	Unallocated balance at February	-66
5.10	Additional DSG	-473
5.12	Reduction in available balances	400
	Total additional income	-139
	<u>Cost reductions:</u>	
5.17	Early Years PVI providers	-88
5.18	Non-pupil data - mainly eligibility to free school meals	-129
5.22	Minimum Funding Guarantee	-64
	Total cost reductions	-283
	Total for allocation	-420

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Para Xref	Item of change from February	£ 000
	<u>Cost pressures:</u>	
5.15	Change in statutory aged pupil numbers	3
5.16	Change in early years pupil numbers	91
5.19	Increase in statemented pupils	219
5.20	Statemented pupils cost review	31
5.23	Non-LA special schools	41
5.23	Sensory services	30
5.24	Carbon reduction levy	5
	Total cost pressures	420

- 5.28 The Forum may wish to consider whether any of the other budget pressures that are not currently funded, as set out in Annex A, should receive funding, rather than those proposed above.

*Summary of provisional Schools Budget position*

- 5.29 Table 2 below sets out a summary of how the additional £1.576m of income will be allocated in next year's budget, 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 2: Summary Schools Budget proposals for 2012-13

Item	Delegated £m	LA Managed £m	Total £m
Proposed changes from Annex B:	1.275	0.301	1.576
<b>Total overall increase</b>	<b>1.275</b>	<b>0.301</b>	<b>1.576</b>

*Decisions for the Schools Forum*

- 5.30 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 2012-13 will remain unchanged at £0.571m, subject to moving funding to support pupils in schools with special educational needs to a new specific SEN budget line. A breakdown of the relevant budget amounts in the current year, and those now proposed for next year are set out below in Table 3. Note, due to the nature of a contingency, where future liabilities are unknown, the proposed budget breakdown is indicative within the total estimated amount of funds. The contingency will be managed during the year across the relevant items, in the light of changing circumstances.

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Table 3: Proposed break down of the school specific contingency

Item	2011-12	2012-13	Change
<b><u>Maintained schools</u></b>			
1. General provision for errors or exceptional costs	15	15	0
2. Exceptional pupil growth (6 classes)	185	137	-48
3. Year on year budget protection for loses greater than 5%	30	30	0
<b>Total maintained schools</b>	<b>230</b>	<b>182</b>	<b>- 48</b>
<b><u>SEN related</u></b>			
4. In-year change in support to SEN pupils in mainstream schools	100	148	48
5. Change in number / needs at Kennel Lane Special School / other exceptional SEN costs	121	121	0
<b>Total SEN related</b>	<b>221</b>	<b>269</b>	<b>48</b>
<b><u>Early Years providers</u></b>			
6. General provision for errors / growth	100	100	0
7. Sustainability Fund	10	10	0
8. SEN Fund	10	10	0
<b>Total Early Years</b>	<b>120</b>	<b>120</b>	<b>0</b>
<b>Total Contingency Budget</b>	<b>571</b>	<b>571</b>	<b>0</b>

It can be seen that two changes are proposed, and these reflect a mixture of recent trends and future forecasts.

The proposal to transfer £0.048m from the exceptional pupil growth allowance (item 2) to in-year change in support to SEN pupils in mainstream schools (item 4) reflects the latest information the LA has for these pressures. In respect of exceptional pupil growth, which is paid to schools where their statutory number of pupils increase by at least 20 between January and September, the pupils expected to enter schools in September compared to the current year groups leaving indicates that 6 growth allowances will be payable. This is a decrease from the 8 currently allowed for in the budget. Regarding other SEN pressures, this change will provide a budget at the level of in-year cost increases experienced in mainstream schools in 2011-12.

Taking account of the latest DfE instructions on categorising SEN budgets, the £0.269m currently held in the contingency at lines 4 and 5 above in Table 3 will be moved to an SEN specific budget, thereby reducing the level of school specific contingency to £0.302m. This change is highlighted in a separate column of the budget book, at Annex D.

- 2 That the total budget allocated to combined services that support both education and children's social care objectives be set at £0.691m, an increase of £0.100m to fund the Family Intervention Project. This reflects previous budget decisions and the proposals in this report, with Annex D providing a summary of where the DSG is proposed to be spent.



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### *Central Expenditure Limit (CEL)*

- 5.31 The DfE prescribes a formula that LAs must use to determine whether Local Authority budget proposals result in a greater percentage increase in centrally managed budget items than those proposed for combined delegated school budgets, including YPLA funded sixth forms, and Early Years PVI providers. Where proposals indicate that LA managed items are increasing at a higher percentage than those to be delegated to schools, the CEL requires consent from the Schools Forum for the proposals to proceed. Using the DfE toolkit to calculate CEL, these budget proposals result in LA managed expenditure increasing by 2.8% and budgets delegated to schools by 2.0%. The proposals in this report are estimated to exceed the CEL by around £0.100m, which the Forum is recommended to agree.

### *Potential for further change*

- 5.32 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. 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.

### *Pupil Premium*

- 5.33 The DfE has provided updated data relating to the free school meals element of the Pupil Premium. Members of the Forum will be aware that the Pupil Premium is the only source of new money for schools in the local government financial settlement and that the majority of the funding is allocated to schools on the basis of £600 per pupil on roll each January who have been eligible to a free school meal at any point in the last 6 years - the 'Ever 6' methodology. This is a change from the current year, which allocated funds based purely on pupils on roll who were eligible to a free school meal at the time of the January census.
- 5.34 Funding is also allocated through the Pupil Premium to support children looked after for more than 6 months and also those whose parents are in the armed forces, who are funded at £250. Overall, Bracknell schools are estimated to receive in total around £1.336m from the Pupil Premium, an increase of £0.732m compared to the £0.632m received in the current year.

### *Other items*

- 5.35 There will need to be a degree of budget restructuring in the new year when the amount of top-slice deducted from the Schools Budget for Ranelagh Academy to provide certain services that the Council manages for other schools from centrally retained budgets has been determined by the DfE. This process calculates the Local Authority Central Services Equivalent Grant (LACSEG) which is then deducted from the Council's DSG allocation. In order to limit the financial impact arising from this, relevant budgets will be reviewed and deductions processed where a saving can be anticipated as a result of no longer having to provide a service to Ranelagh, or income will be earned through trading to offset part or all of the LACSEG deduction.

*Conclusion*

- 5.36 A balanced budget has been presented, but there are still a significant number of pressures that will not be funded and schools and providers will need to manage this through greater efficiencies and reductions in service levels. The LA is available to offer advice and support to those providers facing financial difficulties.
- 5.37 There are also some uncertainties over income and costs, which are planned to be managed through the contingency proposals.

*Next steps*

- 5.38 The Executive Member for Education is responsible for making most budget decisions on the Schools Budget and will be requested to agree the recommendations from the Schools Forum, after taking account of any new information that arises. These decisions will be taken on 20 March, with schools receiving their budget notifications before April.

**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 £0.243m 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 £0.302m proposed for the school specific contingency to meet the cost of other forecast in-year budget pressures, £0.269m in an SEN specific fund and £0.304m if required to support schools in financial difficulty or in Ofsted categories. The Executive Member will need to consider whether sufficient contingencies have been set aside in the budget.

## 7 CONSULTATION

### Principal Groups Consulted

7.1 Governing bodies, early years PVI providers, Schools Forum.

### Method of Consultation

7.2 Written consultation documents.

### Representations Received

7.3 Set out in this and previous budget reports.

### Background Papers

Reports to Schools Forum:

Various DfE guidance notes on School Funding

### Contact for further information

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**Pressures and developments agreed not to be funded in 2012-13  
by the Schools Forum**

Ref	Item not to be funded	2012/13 current estimates		
		Delegated to schools £ 000	Managed by LA £ 000	Total £ 000
	<b><u>Cost pressures not recognised in the funding settlement</u></b>			
1	Inflation	250	120	370
2	Increase in employer LGPS rate	40	10	50
	Net cost pressures not funded by DfE	290	130	420
	<b><u>Desirable budget developments (not essential)</u></b>			
3	Additional 0.5% inflation to minimum costs	230	30	260
4	Building maintenance	50	0	50
5	Learning Support Units	185	0	185
6	4 year olds from September 2011 – balance of pressure not funded in 2011-12	460	0	460
7	Additional speech and language support	0	50	50
	Net non-essential budget developments	925	80	1,005
	<b><u>Alternative funding source identified</u></b>			
8	Capital expenditure	0	100	100
	Net alternative funding source	0	100	100
	<b>Total pressures not to be funded</b>	<b>1,215</b>	<b>310</b>	<b>1,525</b>
	<b>Estimated Shortfall – February 2012</b>			<b>1,459</b>
	<b>Unallocated balance</b>			<b>66</b>

**Summary of budget pressures proposed to be incorporated  
into the 2012-13 budget**

Ref	Item	2012-13 estimate		
		9 Feb Forum £ 000	15 March Forum £ 000	Change £ 000
1	<p><b><u>Items delegated to schools</u></b></p> <p><b><u>Change in pupil numbers</u></b> Based on a provisional analysis of the January 2012 census, there has been an increase of 252 pupils on roll. The calculation also reflects a £0.088m reduction in the lump sum additional allocation to Jennett's Park to reflect the increase to 2 forms of entry at September 2012 and includes an allowance for additional staffing and other cost increases as a larger proportion of the budget is funded on actual pupil data.</p>	596	598	2
2	<p><b><u>Change in 3 and 4 year olds</u></b> This net pressure reflects the impact in maintained schools, where take-up has increased by 42 full time equivalent children (23,955 hours), with a pressure of £0.091m. For the PVI sector, whilst take-up has remained fairly constant, the current budget is being under spent, and a saving of £0.088m can be made.</p>	0	3	3
3	<p><b><u>Kennel Lane Special School (KLS)</u></b> The student profile at KLS continue to change, with the school admitting a higher proportion of students with the most complex cases, which requires additional financial support. KLS provides high quality, local and cost effective support to students.</p>	142	143	1
4	<p><b><u>Statemented pupils in mainstream schools</u></b> The full year effect of the latest costed schedule shows that compared to January 2011, there are an extra 27 pupils (+9.7%) with a statement (up from 278 to 305), with the average cost of support also increasing, by 8.1% to £5,928..</p>	65	284	219
5	<p><b><u>Statemented pupils in mainstream schools</u></b> There has been a review to compare actual costs to schools to support statemented pupils compared to the additional funding provided. This has identified a funding shortfall.</p>	70	101	31
6	<p><b><u>Data changes, including MFG</u></b> Allocations to schools for deprivation funding based on the proportion of pupils eligible to a free school meal have decreased by £0.144m, mainly as a result of amending incorrect data supplied in the October census. There has also been a £0.014m increase in funding to provide school meals to reflect a rise in take-up, with a reduction of £0.065m from the impact of the Minimum Funding Guarantee.</p>	232	38	-194

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Ref	Item	2012-13 estimate		
		9 Feb Forum £ 000	15 March Forum £ 000	Change £ 000
7	<p><b><u>Items delegated to schools (continued)</u></b></p> <p><b><u>Additional delegation – internet and broadband</u></b> Following the completion of the new contract which has a different delivery model, there is no longer a need to centrally manage part of the budget and therefore an additional £0.072m is proposed to be allocated to schools. A compensating saving is reported below against centrally managed budgets.</p>	0	72	72
9	<p><b><u>Traded Service –Education Welfare</u></b> A buy-back service will be available for schools that supports non-statutory education welfare services, such as securing high levels of pupil attendance.</p>	18	18	0
10	<p><b><u>Traded Service – Education Psychology</u></b> A buy-back service will be available for schools that supports non-statutory education psychology services that will allow for additional visits, training and general support to vulnerable children.</p>	18	18	0
<b>11</b>	<b>Sub total items delegated to schools</b>	<b>1,141</b>	<b>1,275</b>	<b>135</b>

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Ref	Item	2012-13 estimate		
		9 Feb Forum £ 000	15 March Forum £ 000	Change £ 000
	<b><u>Items centrally managed by the Council</u></b>			
12	<b><u>Alternative Education Provision</u></b> There are additional statutory duties relating to providing suitable full time education for pupils who are unable to attend school by reason of accident, illness or pregnancy or who are described as 'school-phobic'. A separate report has previously been presented to the Forum in respect of this.	60	60	0
13	<b><u>Special Educational Needs – Resource Units</u></b> The development of additional SEN Resource Units in the borough is expected to result in small increase in costs in the short term before significant annual savings are achieved. NB this item was previously categorised as delegated to schools but will now be held centrally to comply with latest DfE guidance, pending conclusion of discussions with schools to open new units.	32	32	0
14	<b><u>External SEN placement costs</u></b> The latest costed schedule of pupils with SEN who are expected to be placed outside of BF maintained schools indicates additional cost next year against the current budget.	80	121	41
15	<b><u>Sensory impairment</u></b> The latest costed schedule of pupils with sensory needs that require specialist support has increased, with know costs forecast to continue at the higher level into next financial year.	0	30	30
16	<b><u>Additional delegation – internet and broadband</u></b> This item offsets the pressure on delegated school budgets in line 7 above and is possible following the completion of the new contract which has a different delivery model. There is no net financial impact from lines 7 and 16.	0	-72	-72
17	<b><u>Carbon reduction commitment (CRC)</u></b> There has been a revised calculation of school costs associated with the CRC, with additional costs of £0.005m now expected to complete the purchase of carbon allowances.	0	5	5
18	<b><u>Maternity leave cover</u></b> There has been an increase in the incidence of classroom staff taking maternity leave which has resulted in a budget over spend which is expected to continue into 2012-13.	25	25	0
19	<b><u>Family Intervention Project (FIP)</u></b> The FIP works with families who are experiencing multiple problems. Evidence suggest that interventions reduce school truancy, exclusion and bad behaviour.	100	100	0
<b>20</b>	<b>Sub total items managed by the Council</b>	<b>297</b>	<b>301</b>	<b>4</b>
<b>21</b>	<b>Total delegated and Council managed</b>	<b>1,437</b>	<b>1,576</b>	<b>139</b>

## Change in estimated income

Ref	Item	9 February Forum	15 March Forum	Change
<u>January 2011 headcount data</u>				
1	DSG pupil numbers in maintained schools	14,522.1	14,522.1	
2	DSG pupil numbers other than maintained schools	906.9	906.9	
3	Final adjusted pupil numbers for 2010/11 DSG	15,429.0	15,429.0	
<u>Estimated changes to January 2011 headcount data</u>				
4	Change in numbers in maintained schools	+232.6	+321.9	+89.3
5	Change in numbers other than in maintained schools	-35.9	-27.9	+8.0
6	Contingency for overstatement of pupil numbers etc	-50.0	-50.0	0.0
7	Total estimated change in pupil numbers	+146.7	+244.0	+97.3
<u>Estimated January 2012 headcount data</u>				
8	Total estimated pupil numbers	15,575.7	15,673.0	+97.3
9	Annual change	1.0%	1.6%	0.6%
<u>Calculation of available income</u>				
10	Total Guaranteed DSG	£4,860.95	£4,860.95	
11	Total Estimated DSG Income	£75.713 m	£76.186 m	
12	Less provision for Academy funding deduction	-£0.086 m	-£0.086 m	
13	Available DSG Funding	£75.627 m	£76.100 m	
14	Current DSG Base Budget	£74.524 m	£74.524 m	
15	Change in DSG funding	£1.103 m	£1.576 m	£0.473 m
<u>Calculation of available balances from 2011-12</u>				
16	Estimated change in balances from current base budget	£0.400 m	Nil	
17	Increase in income	£1.503 m	£1.576 m	-£0.400 m
18	Balances included in base budget	£0.230 m	£0.230 m	
19	Unallocated funding at February			£0.066 m
20	Total additional funds to allocate [15+17+19]			£0.139 m
21	Total funds to spend [13+18]		£76.330 m	



## Objective Budget Book Analysis – 2012-13

Budget item	2011-12 Original Budget	Change Proposed		2012-13 Provisional Budget	Annual Change
		Budget Build	Budget Realignment		
<b><u>Delegated School Budgets</u></b>					
Primary	£32,303,890	£900,210	£0	£33,204,100	2.8%
Secondary	£26,395,520	£316,770	£0	£26,712,290	1.2%
Special	£3,242,440	£146,030	£0	£3,388,470	4.5%
	£61,941,850	£1,363,010	£0	£63,304,860	2.2%
<b><u>SEN provisions and support</u></b>					
External pupil placements	£4,612,250	£120,990	£0	£4,733,240	2.6%
Sensory impairment support to schools	£115,000	£0	£0	£115,000	0.0%
Teaching and support services	£713,110	£30,000	£0	£743,110	4.2%
Language and Literacy Service	£130,360	£0	£0	£130,360	0.0%
In-year allocations to schools	£0	£32,000	£269,000	£301,000	0.0%
Traveller Education	£75,140	£0	£0	£75,140	0.0%
	£5,645,860	£182,990	£269,000	£6,097,850	3.2%
<b><u>Combined Services</u></b>					
Procurement Specialist	£32,680	£0	£0	£32,680	0.0%
Margaret Wells Furby Resource Centre	£156,850	£0	£0	£156,850	0.0%
Young people in sport	£18,050	£0	£0	£18,050	0.0%
Attainment of LAC	£113,590	£0	£20,000	£133,590	17.6%
English as an Additional Language	£128,740	£0	£0	£128,740	0.0%
Common Assessment Framework	£42,470	£0	£0	£42,470	0.0%
Maintaining LAC in BFC	£62,890	£0	£-20,000	£42,890	-31.8%
Education Health Partnerships	£30,000	£0	£0	£30,000	0.0%
Family Intervention Project	£0	£100,000	£0	£100,000	0.0%
Families subject to domestic abuse	£6,000	£0	£0	£6,000	0.0%
	£591,270	£100,000	£0	£691,270	16.9%
<b><u>Education out of school</u></b>					
Pupil Referral Service	£747,230	£0	£0	£747,230	0.0%
Home and group tuition	£264,090	£60,000	£0	£324,090	22.7%
	£1,011,320	£60,000	£0	£1,071,320	5.9%
<b><u>Pupil behaviour</u></b>					
CMCD	£31,870	£0	£0	£31,870	0.0%
Behaviour Support Team and others	£495,060	£0	£0	£495,060	0.0%
	£526,930	£0	£0	£526,930	0.0%
<b><u>Early Years</u></b>					
PVI Providers	£2,856,060	£-88,000	£0	£2,768,060	-3.1%
SEN Co-ordinators and others	£224,140	£0	£0	£224,140	0.0%
	£3,080,200	£-88,000	£0	£2,992,200	-2.9%
<b><u>Other items</u></b>					
Official staff absence	£332,880	£25,000	£0	£357,880	7.5%
Licence fees	£109,730	£0	£0	£109,730	0.0%
Practical learning options	£220,360	£0	£0	£220,360	0.0%
School Specific Contingency	£572,750	£0	£-269,000	£303,750	-47.0%
Premature retirement costs	£53,650	£0	£0	£53,650	0.0%
School Admissions	£157,690	£0	£0	£157,690	0.0%
Schools in financial difficulty	£304,470	£0	£0	£304,470	0.0%
Former Standards Fund Projects	£72,000	£-72,000	£0	£0	-100.0%
Carbon Reduction Commitment	£75,000	£5,000	£0	£80,000	6.7%
Other	£58,040	£0	£0	£58,040	0.0%
	£1,956,570	£-42,000	£-269,000	£1,645,570	-2.1%
<b><u>Income</u></b>					
Brought forward from previous years	£-230,000	£0	£0	£-230,000	0.0%
DSG	£-74,524,000	£-1,576,000	£0	£-76,100,000	
Total Income	£-74,754,000	£-1,576,000	£0	£-76,330,000	n/a
<b>Net</b>	<b>£0</b>	<b>£0</b>	<b>£0</b>	<b>£0</b>	<b>0.0%</b>

Note: £20k budget re-alignment in Combined Service Budgets was agreed by Forum on 9 February.