



**Subject Heading:**

**Use of Central budgets 2015-16**

**Report Author:**

**David Allen – Strategic Finance  
Manager**

**Eligibility to vote:**

**All members**

### SUMMARY

Prior to the start of each financial year the LA may request that some funding from the Dedicated Schools Grant may be retained centrally for a limited number of specific purposes. The LA is required to report back to the Forum on the use of these funds. This is a report to the Forum of expenditure against the budgets retained centrally in 2015-16

### RECOMMENDATIONS

That the Schools Funding Forum notes the contents of this report.

### REPORT DETAIL

#### **1. Operational Guidance**

The following is an extract from the relevant section of the operational guidelines on 2016-17 revenue funding.

#### ***Centrally retained services***

*64. Funding for some services can be centrally retained before allocating the formula, with the agreement of the schools forum. A number of these services are subject to a limitation of no new commitments or increases in expenditure from 2015 to 2016 and schools forum approval is required each year to confirm the*

amounts on each line. The table below sets out which services can be retained centrally, and what approval is required.

<b>Approval required</b>	<b>Services covered</b>
<i>Schools forum approval is not required (although they should be consulted)</i>	<ul style="list-style-type: none"> <li>• <i>high needs block provision</i></li> <li>• <i>central licences negotiated by the Secretary of State</i></li> </ul>
<i>Schools forum approval is required on a line-by-line basis.</i>	<ul style="list-style-type: none"> <li>• <i>early years block provision</i></li> <li>• <i>funding to enable all schools to meet the infant class size requirement</i></li> <li>• <i>back-pay for equal pay claims</i></li> <li>• <i>remission of boarding fees at maintained schools and academies</i></li> <li>• <i>places in independent schools for non-SEN pupils</i></li> </ul>
<i>Schools forum approval is required on a line-by-line basis. The budget cannot exceed the value agreed in the previous funding period.</i>	<ul style="list-style-type: none"> <li>• <i>admissions</i></li> <li>• <i>servicing of schools forum</i></li> </ul>
<i>Schools forum approval is required on a line-by-line basis. The budget cannot exceed the value agreed in the previous funding period and no new commitments can be entered into.</i>	<ul style="list-style-type: none"> <li>• <i>capital expenditure funded from revenue (ie no new projects can be charged to the central schools budget)</i></li> <li>• <i>contribution to combined budgets</i></li> <li>• <i>existing termination of employment costs (ie no new redundancy costs can be charged to the central schools budget)</i></li> <li>• <i>prudential borrowing costs</i></li> <li>• <i>SEN transport costs</i></li> </ul>
<i>Schools forum approval is required on a line-by-line basis, including approval of the criteria for allocating funds to schools.</i>	<ul style="list-style-type: none"> <li>• <i>funding for significant pre-16 pupil growth, including new schools set up to meet basic need, whether maintained or academy</i></li> <li>• <i>funding for good or outstanding schools with falling rolls where growth in pupil numbers is expected within three years</i></li> </ul>

## **2. 2015-16 Expenditure report**

From the services listed above for which budgetary provision was agreed for 2015-16, expenditure is reported as below.

## 2.1 Early years

Budget £506,424

Expenditure £497,985

	Budget	Expenditure	Variance
	£	£	£
Central Services (Early Years QA)	326,030	317,591	-8,439
Contingencies	180,394	180,394	0
Total	506,424	497,985	-8,439
Overspend in Early Years 2, 3 and 4 year old provision			341,611
Total overspend in Early Years			333,172

## 2.2 School Admissions

Budget £499,670

Expenditure £516,470

Variance £16,800 Salary overspend reported at the last meeting

## 2.3 Servicing of Schools Forum

Budget £43,250

Expenditure £43,250

Variance £0

## 2.4 Capital Expenditure from Revenue

Budget £87,490

Expenditure £56,825

Variance £30,665 Missed payment, cfwd agreed at last meeting

## 2.5 Contribution to Combined Budgets (School Partnership Fund)

Budget £236,000

Expenditure £192,426

Variance £43,574

See Appendix A for details of expenditure.

This budget has been reduced to £200,000 in 2016-17.

## 2.6 Termination of employment costs

Budget £39,000

Expenditure £6,480

This budget has been withdrawn in 2016-17.

## 2.7 Pupil growth Fund

Budget £2,821,822

Expenditure £2,321,533

Variance £500,289

New permanent expansions - 2 schools, 1 form of entry each	135,581
Cohorts moving through from previous year permanent expansions - 12 schools Funding for 345 additional places (11.5 forms of entry)	497,129
Funding of 7 bulge classes for 180 pupils in September 2015	380,917
Commitment to schools for unfilled bulge classes from previous year - 19 schools	1,031,962
Allocations to meet infant class size regulations - 2 schools	78,256
Previous year growth in secondary schools and academies (25 places) in September 2015	56,423
Funding for Academies Expansion Apr-Aug	141,266
	<u>2,321,533</u>
Budget	2,700,000
Recoupment for academy growth (summer term)	121,822
Revised Budget	<u>2,821,822</u>
Underspend	500,289
2014-15 expenditure (for comparative purposes)	2,363,107

## 2.8 Schools with falling rolls

Budget £500,000

Expenditure £500,000

Variance £0 Allocation details provided at the last meeting