

ROYAL BOROUGH OF WINDSOR & MAIDENHEAD SCHOOLS FORUM

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| DATE: | 05 March 2013 | AGENDA ITEM: | 04 |
| TITLE: | UPDATE ON CENTRAL SCHOOLS BUDGET 2012-13 PROJECTED OUTTURN | | |
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1 SUMMARY

- 1.1 This paper updates Schools Forum on the latest projected outturn position against the DSG funded central schools budget for 2012-13 and reminds Schools Forum of previously discussed proposals for the use of the accumulated DSG surplus going forwards into 2013-14.

2 RECOMMENDED ACTION FOR SCHOOLS FORUM

- 2.1 **To note that the estimated 2012-13 year end outturn projection for the central Schools Block Budget of £9.4 million, reported to Cabinet in February, is an underspend of £1,063k.**

3 SUPPORTING INFORMATION

- 3.1 The acting Director of Children's Services reported to Cabinet in February 2013 that the central schools budget of £9.4 million is projected to be underspent by £1,063k at the end of the financial year 2012-13. This is an increase of £11k on the £1,052k underspend reported to Cabinet in the previous month and discussed at the last meeting of the Schools Forum in January. The main variances from budget, discussed at the last Forum meeting, are summarised below:

| Service area | Budget £000 | Projected outturn 2012-13 £000 | (under) / over (+) 2012-13 £000 | Details |
|---|----------------|---|--|--|
| ISB | 70,330 | 70,330 | 0 | Treated as spent when delegated. |
| Non maintained nurseries | 4,163 | 4,163 | 0 | |
| Central budgets | | | | |
| Admissions | 193 | 193 | 0 | |
| Maternity | 182 | 223 | +41 | High number of claims |
| Schools contingency & other central budgets | 468 | 384 | (84) | Net variance of contingency allocations, reimbursements for rates etc., early years contingency |
| Licenses etc. | 204 | 300 | +96 | Miscellaneous |
| Support and inclusion | 881 | 650 | (231) | Ending of Behaviour Support Partnership, and DSG contribution to respite provision less than budgeted due to ongoing closure of the MG Respite Unit. |
| SEN recoupment | (652) | (902) | (250) | Income over budget (£2.151m) due to increase in recoverable costs for OLA pupils with SEN in RBWM |

| | | | | |
|-----------------------------|-----------------|-----------------|----------------|---|
| Central SEN | 6,258 | 5,676 | (582) | mainstream and special schools. Projected underspend £440k on residential placements mainly due to reduction in average placement cost, and fewer places than budgeted. Further £140k due to reduction in-year SEN statement adjustments and central allocations for exceptional SEN need. |
| Sensory Consortium | 287 | 287 | 0 | |
| Teaching & Advisory Service | 498 | 542 | +44 | Income target in EMA service not met and one-off exceptional staff costs. |
| PRU | 690 | 593 | (97) | Mainly due to staff vacancies |
| Overheads | 409 | 409 | 0 | |
| | 9,418 | 8,355 | (1,063) | |
| Total | 83,911 | 82,848 | (1,063) | |
| Grant income | | | | |
| DSG 2012-13 | (83,594) | (83,594) | 0 | |
| 2011-12 Surplus applied | (317) | (317) | - | |
| DSG c/fwd to 2013-14 | 0 | 1,063 | 1,063 | |
| | (83,912) | (82,849) | 1,063 | |
| Net | (1) | (1) | 0 | |

3.2 Projected year end variances remain relatively unchanged from those reported at the last Schools Forum meeting in January. As previously reported, the main areas of under-spend are the budgets for central SEN expenditure, including SEN recoupment, out-borough special school placements, and allocations to schools for exceptional need. Structurally recurring underspends have been redistributed in the 2013-14 budget build, as discussed on previous occasions and summarised again in the Growth and Savings section of the 2013-14 Schools Budget paper which is a separate item on the agenda.

Use of DSG underspend brought forward from 2011-12 and 2012-13

3.3 Schools Forum are reminded that the DSG surplus at the end of March 2012 was £1,025k. £317k of this was allocated in the 2012-13 Schools Budget when this was set in March 2012, a further £500k was allocated in January 2013 as one-off in-year allocation to schools and PVLs leaving £208k unallocated at the present time. To this will be added the £1,063k projected 2012-13 underspend discussed above, £1,271k in total. Of this carried forward surplus, £500k is to be used to support Schools Budget delegated and central expenditure in each of the next two years, 2013-14 and 2014-15. The proposal discussed at the January 2013 Forum meeting was to allocate the remaining surplus as a further one-off allocation before the end of the current financial year 2012-13. On current figures, this would mean a further allocation £271k. This is summarised in the table below.

| | 2011/12 | 2012/13 | 2013/14 | 2014/15 |
|-------------------------------|---------|----------|----------|----------|
| Opening Balance | | £1.025m | £1.000m | £0.500m |
| Base | | -£0.317m | -£0.500m | -£0.500m |
| One Off Allocation 2012-13 | | -£0.500m | | |
| Further One Off allocation | | -£0.271m | | |
| In Year DSG Surplus / Deficit | | £1.063m | | |
| Closing Balance | £1.025m | £1.000m | £0.500m | £0 |