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NOTICE OF MEETING

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SCHOOLS FORUM

will meet on

THURSDAY, 2ND NOVEMBER, 2017

At 2.30 pm

in the

COUNCIL CHAMBER - TOWN HALL, MAIDENHEAD,

TO: Head Teacher Representatives: Isabel Cooke, Richard Pilgrim (Chairman), Helen McHale, Alison Penny, Nick Stevens (Vice-Chairman), Joolz Scarlett, Mike Wallace, Chris Tomes, Amanda Hough and Martin Tinsley.

Governor Representatives: Hugh Boulter and Jo Haswell.

Non- School Representatives: Anne Entwistle.

Karen Shepherd - Democratic Services Manager - Issued: 25/10/2017

Members of the Press and Public are welcome to attend Part I of this meeting. The agenda is available on the Council's web site at www.rbwm.gov.uk or contact the Panel Administrator **David Cook**, david.cook@rbwm.gov.uk

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AGENDA

PART I

<u>ITEM</u>	<u>SUBJECT</u>	<u>PAGE NO</u>
1.	<u>APOLOGIES</u> To receive any apologies of absence.	-
2.	<u>DECLARATIONS OF INTEREST</u> To receive and declarations of interest.	5 - 6
3.	<u>MINUTES</u> To approve the minutes of the previous meeting.	7 - 10
4.	<u>BUDGET OUTTURN 2016/17 AND SCHOOL BALANCES</u> To consider the report.	11 - 18
5.	<u>BUDGET MONITORING AND FORECAST 2017/18</u> To consider the report.	19 - 24
6.	<u>SCHOOLS REVENUE FUNDING ARRANGEMENTS 2018/19 AND BEYOND</u> To consider the report.	To Follow
7.	<u>SCHOOL FUNDING 2018/19 AND CONSULTATION</u> To consider the report.	To Follow
8.	<u>LOCAL GOVERNMENT ACT 1972 - EXCLUSION OF THE PRESS AND PUBLIC</u> To consider passing the following resolution:- "That under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the remainder of the meeting whilst discussion takes place on the grounds that it involves the likely disclosure of exempt information as defined in Paragraphs 1-7 of part I of Schedule 12A of the Act"	-

PART II - PRIVATE MEETING

<u>ITEM</u>	<u>SUBJECT</u>	<u>PAGE NO</u>
9.	<u>MINUTES</u> To approve the Part II minutes of the previous meeting. <i>(Not for publication by virtue of Paragraph 7a of Part 1 of Schedule 12A of the Local Government Act 1972)</i>	25 - 26

MEMBERS' GUIDE TO DECLARING INTERESTS IN MEETINGS

Disclosure at Meetings

If a Member has not disclosed an interest in their Register of Interests, they **must make** the declaration of interest at the beginning of the meeting, or as soon as they are aware that they have a DPI or Prejudicial Interest. If a Member has already disclosed the interest in their Register of Interests they are still required to disclose this in the meeting if it relates to the matter being discussed.

A member with a DPI or Prejudicial Interest **may make representations at the start of the item but must not take part in the discussion or vote at a meeting.** The speaking time allocated for Members to make representations is at the discretion of the Chairman of the meeting. In order to avoid any accusations of taking part in the discussion or vote, after speaking, Members should move away from the panel table to a public area or, if they wish, leave the room. If the interest declared has not been entered on to a Members' Register of Interests, they must notify the Monitoring Officer in writing within the next 28 days following the meeting.

Disclosable Pecuniary Interests (DPIs) (relating to the Member or their partner) include:

- Any employment, office, trade, profession or vocation carried on for profit or gain.
- Any payment or provision of any other financial benefit made in respect of any expenses occurred in carrying out member duties or election expenses.
- Any contract under which goods and services are to be provided/works to be executed which has not been fully discharged.
- Any beneficial interest in land within the area of the relevant authority.
- Any licence to occupy land in the area of the relevant authority for a month or longer.
- Any tenancy where the landlord is the relevant authority, and the tenant is a body in which the relevant person has a beneficial interest.
- Any beneficial interest in securities of a body where:
 - a) that body has a piece of business or land in the area of the relevant authority, and
 - b) either (i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body **or** (ii) the total nominal value of the shares of any one class belonging to the relevant person exceeds one hundredth of the total issued share capital of that class.

Any Member who is unsure if their interest falls within any of the above legal definitions should seek advice from the Monitoring Officer in advance of the meeting.

A Member with a DPI should state in the meeting: ***'I declare a Disclosable Pecuniary Interest in item x because xxx. As soon as we come to that item, I will leave the room/ move to the public area for the entire duration of the discussion and not take part in the vote.'***

Or, if making representations on the item: 'I declare a Disclosable Pecuniary Interest in item x because xxx. As soon as we come to that item, I will make representations, then I will leave the room/ move to the public area for the entire duration of the discussion and not take part in the vote.'

Prejudicial Interests

Any interest which a reasonable, fair minded and informed member of the public would reasonably believe is so significant that it harms or impairs the Member's ability to judge the public interest in the item, i.e. a Member's decision making is influenced by their interest so that they are not able to impartially consider relevant issues.

A Member with a Prejudicial interest should state in the meeting: ***'I declare a Prejudicial Interest in item x because xxx. As soon as we come to that item, I will leave the room/ move to the public area for the entire duration of the discussion and not take part in the vote.'***

Or, if making representations in the item: 'I declare a Prejudicial Interest in item x because xxx. As soon as we come to that item, I will make representations, then I will leave the room/ move to the public area for the entire duration of the discussion and not take part in the vote.'

Personal interests

Any other connection or association which a member of the public may reasonably think may influence a Member when making a decision on council matters.

Members with a Personal Interest should state at the meeting: ***'I wish to declare a Personal Interest in item x because xxx'. As this is a Personal Interest only, I will take part in the discussion and vote on the matter.***

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Agenda Item 3

SCHOOLS FORUM

TUESDAY, 11 JULY 2017

TO: Head Teacher Representatives: Helen McHale, Nick Stevens (Vice-Chairman in the Chair), Chris Tomes and Martin Tinsley.

Governor Representatives: Jo Haswell.

Non- School Representatives: Gina Kendall.

Officers: Kevin McDaniel and David Cook.

APOLOGIES

Apologies for absence were received by Isabel Cooke, Heidi Swindenbank, Joolz Scarlett, Amanda Hough, Hugh Boulter, Richard Pilgrim and Alison Penny.

DECLARATIONS OF INTEREST

There were no declarations of interest received.

MINUTES

The minutes of the meeting held on 28 March 2017 were approved as a true and correct record.

Matters arising from the minutes were:

- Paragraph four new SEN matrix. It was informed that 10 reviews had gone through the new matrix with two of them being re-reviewed. The general feedback was positive and moving in the right direction; although further work was required.
- It was noted that the funding discussion with special schools had not taken place yet due to a change in the finance team at Manor Green. Discussions would take place during the forthcoming term.
- Fair access protocol and managed moves. It was noted that there had been three successful managed moves during this term and one was due to go through the fair access protocol. Managed moves continued to be challenging.
- National funding formula. There had been no update regarding a shift in policy post election. There may be a delay in implementation but the LA would proceed as planned until informed otherwise.

TERMS OF REFERENCE

The Forum were informed that following the recommendations of the recent Task and Finish Group the financial partner and Mr Boulter had review the Forum's terms of reference. The main recommendations were as follows:

- Making it clear how Forum appointments were made.
- Minutes to be published 1 days after meetings. RBWM standard was to publish approved minutes within 15 days, officers would endeavour to publish within 10 days commitments permitting.
- Draft budget to the October meeting. It was agreed that a draft budget could be presented to the October meeting with the caveat that the final budget would be approved once notice given from the DFE.
- Agenda items would be co-sponsored by Forum members and officers.

- Improved agenda setting.

There was one item that officers and Mr Boulter could not agree upon and this was the production of an annual report as the request was that the LEA wrote this.

The vice-Chairman mentioned that Mr Boulter was keen on having an annual report showing what decisions had been made and looking forward to future issues. He felt that this need only be a short bullet point report. The Director for Education mentioned that this could be an agenda item on the final meeting of the year for the Forum to discuss and own.

The Vice-Chairman said that for the next meeting the Forum should have the approved new terms of reference presented and discuss the production of the annual report.

The Vice-Chairman circulated a proposed timetable for future Forum meetings that included 6 cycles per year with earlier agenda publication allowing the agenda to be discussed at cluster meetings. It was noted that the December meeting may need to be to January to meet DFE timescales.

Resolved unanimously: that the revised terms of reference be approved in principle subject to them being presented at the next Forum meeting. There would be a future discussion on a Forum annual report.

SEND UPDATE

The Director of Children's Services informed the Forum that notification of a Local Area SEND inspection had been received from Ofsted two weeks ago with the inspection taking place over a week. There would be a Part I and Part II discussion on the inspection.

The Forum were also informed that with regards to the SEND Action Plan work had started on out of borough placements and discussions with providers had been undertaken for next years placements.

PRU services had been inspected over April and May and the overall effectiveness was required improvement. There had been progress made with the use of Haybrook College which had been well received and its use would be extended into the following year. The focus of the PRU would be early engagement to get the pupil back into a mainstream setting as soon as appropriate.

In response to questions the Forum were informed that there were currently 14 pupils on role with the PRU with this years highest being 24 pupils. There had been 3 primary school pupils.

With regards to the Local area SEND inspection the Forum were informed that the Children and Families Act 2014 placed responsibility on the local area, which includes the local authority, health commissioners and providers, to identify and meet the needs of children and young people and those who have special educational needs and/or disabilities aged 0 to 25.

The inspection was a joint inspection including one of Her Majesty's Inspectors (HMI) (lead), a Care Quality Commission (CQC) inspector and an Ofsted Inspector. Inspectors choose which groups of parents and carers to speak with and which schools, colleges and other institutions to visit. About 38 families took part in webinars, 68 professionals made themselves available and evidence was received from over 60 families.

In response to questions the Forum were informed that it was expected that the inspectors would hear that the boroughs children do well in schools and that we have committed professionals who make a difference. It was not expected that we would hear that given the level of investment, especially health, that there were some families who were not aware of services available to them.

An area improvement plan would be produced that would utilise collaboration between all agencies.

The SEND update was noted.

LOCAL GOVERNMENT ACT 1972 - EXCLUSION OF THE AND PUBLIC

RESOLVED UNANIMOUSLY: That under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the remainder of the meeting whilst discussion takes place on the grounds that they involve the likely disclosure of exempt information as defined in Paragraphs 1-7 of part I of Schedule 12A of the Act.

The meeting, which began at 2.30 pm, finished at 3.50 pm

CHAIRMAN.....

DATE.....

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Agenda Item 4

ROYAL BOROUGH OF WINDSOR & MAIDENHEAD SCHOOLS FORUM

Date:	2nd November 2017	AGENDA ITEM: 04
Title:	Budget Outturn 2016/17 and School balances	
Responsible officer:	Kevin McDaniel, Director of Children's Services	
Contact officer:	Tracey Anne Nevitt, Accountant (RBWM) Achieving for Children	Tel: 01628 796000

1 PURPOSE AND SUMMARY

- 1.1 This paper summarises the final outturn position of the 2016/17 Schools Budget, the funding held in the DSG reserve and the level of maintained school balances held at 31 March 2017.
- 1.2 The key points of the paper are:
- the DSG opening reserve at the 31 March 2016 was £737,000 surplus, including £523,000 of earmarked reserves and £214,000 general reserve.
 - the DSG reserve as at 31 March 2017 is a deficit of £399,000 net with earmarked project reserves of £353,000 resulting in a deficit balance of £752,000.
 - the central schools budget ended the financial year 2016/17 with an over spend of £778,000. This is funded by a reduction to the DSG general reserve.
 - the balances of RBWM's maintained schools at 31 March 2017 decreased by £1,623,000 to £2,037,000 in 2016/17.
 - average surplus balances, as a proportion of budget share, fell slightly compared with the previous year.

2 RECOMMENDATIONS

Schools Forum is asked to note:

- 2.1 The Forum is asked to note the contents of this report and to approve the carry forward of the deficit balance on the DSG reserve.

3 FINANCIAL SUMMARY

SCHOOLS BUDGET OUTTURN 2016/17

- 3.1 The 2016/17 schools budget of £60,687,000 is split between £40,036,000 of maintained schools delegated budgets and £20,651,000 central schools budget (including Early Years). Delegated budgets are treated as spent as soon as they are delegated, and more information on maintained school balances is given in part 5 of this paper. The central schools budget ended the financial

year 2016/17 with an over spend of £778,000 .This has been part funded by a reduction in the general DSG reserve (see section 4).

Table 1 summarises the final outturn position.

School Budget 2016/17 outturn	Budget £000	Outturn £000	Over / (under) £000	%
Maintained schools (Delegated budgets)	40,036	40,036	0	
Non Maintained Nurseries / PVI's	4,966	4,774	(192)	
De-Delegated School Budgets	592	592	0	
Pupil Growth - Schools	184	151	(33)	
Admissions	197	153	(44)	
Schools and Early years support services, recalculations & recharges	1,048	712	(236)	
High Needs	12,672	14,007	1,335	
Alternative Provision	992	941	(51)	
Total central expenditure	20,651	21,429	778	3.7%
Total Net expenditure	60,687	61,465	778	1.3%
Funding from reserves (after in year transfers)			26	
Year End DSG General Reserves (deficit)			(752)	

3.2 Although overall central expenditure was 3.7% over budget, a number of issues impacted on the budget during the year:

- **Non maintained nurseries / PVI's:** Early years formula allocations to early year's settings are based on actual uptake in each term. Lower than expected final numbers of mainly three and four years olds resulted in a £192,000 underspend.
- **De-delegated budgets:** Where maintained schools agree to 'de-delegate' funding for central services and these budgets are underspent at the end of the year, the underspends are ring-fenced and carried forward in line with DfE guidance and are available for use in 2017/18.
- **School and Early Years Support services:** most of the underspend relates to cessation of early years grants and termly recalculations of maintained setting in the Early years sector.
- **High Needs:** The largest element of the central expenditure budget is £13,000,000 spent on high needs pupils. The final outturn for 2016/17 was £1,300,000 over budget, reflecting the increasing amount of funding allocated through top up and placement costs in the non maintained and independent sector.
- **Alternative provision:** the budget was £83,000 underspent due to difficulties in commissioning new capacity in 2015/16. This resulted in greater spot purchasing of support staff which partly offset the under spend on commissioning costs.

4 DEDICATED SCHOOLS GRANT RESERVE

4.1 The available DSG reserve at the start of 2016/17 was £737,000, split between earmarked reserves of £523,000 and general reserves of £214,000 (see table 2). In 2016/17, the main movements on the reserve were:

- to fund the central DSG overspend £778,000
- transfer from general reserve to the Schools with falling rolls £188,000
- central projects met from earmarked reserves £170,000

4.2 These movements result in a net reduction of £1,136,000 in the DSG reserve in 2016/17 to a £399,000 overall deficit, made up of general reserves deficit of £752,000 (table 2 line Reserve A) and earmarked reserves of £353,000 (table 2 line Reserve B).

Table 2 DSG Reserve

	Balance @31 Mar 2016 £000	Transfers in £000	Transfers Out £000	Spend £000	Balance @31 Mar 2017 £000
General DSG Reserve A	214	0	(188)	(778)	(752)
School to School Support	37	0		(37)	0
Capacity building for Two year olds	85	0		(26)	59
Support for Children in Care	80	0		(3)	77
Mental Health & Wellbeing Support	321	0		(104)	217
Total Earmarked Reserves B	523	0	0	(170)	353
Total DSG Reserve A+B	737	0	(188)	(948)	(399)

4.3 Funding from the earmarked reserves supported expenditure in the following main areas:

- **School to school support** - provision of support to 'requiring improvement' schools to boost leadership capacity £37,000
- **Early years capacity building** support for identifying and targeting two years olds to increase uptake of the free entitlement £26,000
- **Mental health and wellbeing support** – In July 2015, Schools Forum agreed the use of £120,000 per annum for three years from September 2015 to fund a mental health and wellbeing support service, £104,000 of which was spent in the financial year 2016/17.

5 MAINTAINED SCHOOL BALANCES

5.1 This section analyses maintained school balances at the end of 2016/17 reflecting on trends over recent years.

5.2 RBWM's academies are not included in the analysis. Local authorities do not hold information on academy school balances and the DfE does not publish comparable information for academies on its website. Different accounting requirements also make it difficult to make like for like comparisons, few local authorities include academy balances in reports to their schools forums.

5.3 In order to present the underlying outturn position, balances are shown after deducting outstanding loans.

Summary

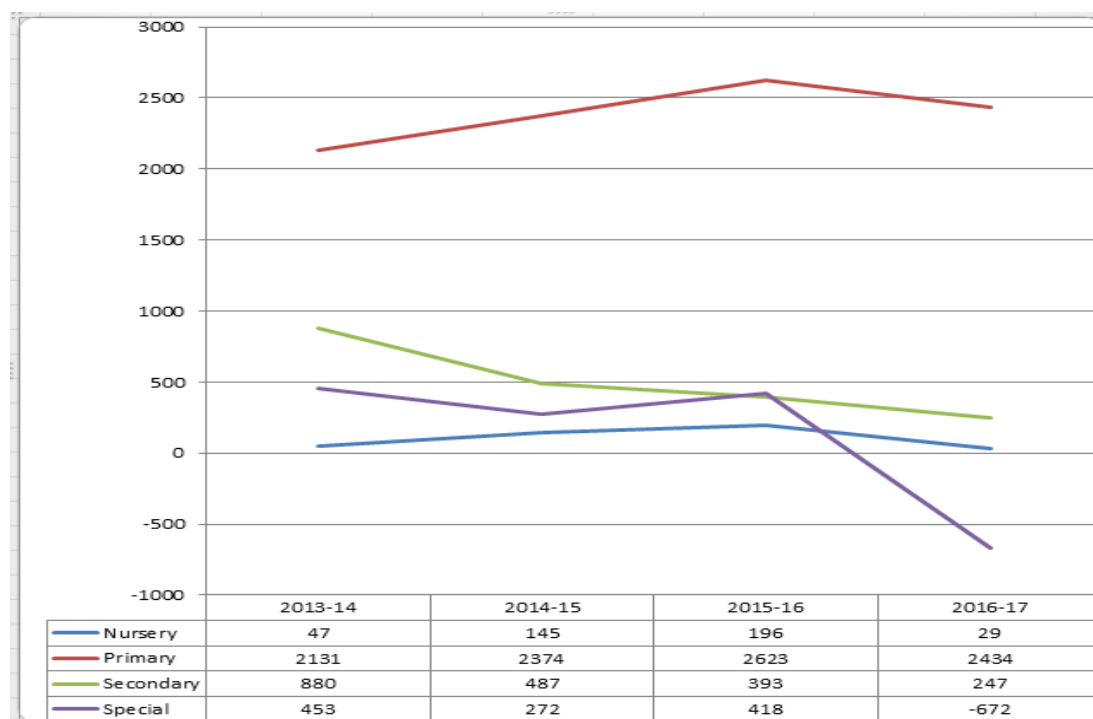
- 5.4 At 31 March 2016, there were 40 maintained schools. 36 of these ended the year with a surplus balance, three primary schools and the special school ended the year with a deficit balance. Overall balances totalled £2,037,000 equivalent to 5% of the delegated budget, a net decrease of £1,334,000 on the balances of the same schools compared with last year.
- 5.5 In 2016/17 academy conversions transferred with balances of £289,000 resulting in a total movement of £1,623,000.

Table 3 Maintained schools balances at 31 March 2016

Sector	Schools with surplus	Surplus £000	Schools with deficit	Deficit £000	Surplus & deficits £000
Nursery	3	29	0	0	29
Primary	31	2,632	3	(198)	2,434
Middle & secondary	2	246	0	0	246
Special	0	0	1	(672)	(672)
All schools	36	2,907	4	(870)	2,037

- 5.6 All sectors have seen balances decrease, a change in the trend for the last 6 years (see diagram 1). This trend is now in line with most South East local authorities where school balances have fallen in 2015/16 and 2016/17.

Diagram 1 Total school balances 2013/14 to 2016/17 £'000s



Surplus balances

- 5.7 Schools are funded each year mainly on the number of pupils on roll and are expected to use their resources on those pupils, reserving a small allowance for future planning, projects and operational risks. The DfE discourages schools from building up excessive uncommitted balances, notionally defined as 5% of budget share for secondary schools, and 8% for other schools.
- 5.8 At the end of 2016/17, 36 out of 40 maintained schools had surplus balances. The average primary school balance was £73,000 (£3,000 less than in 2015/16), 7.4% of budget. The average secondary and middle school balance was £120,000 5.8% of budget. Whilst these percentage balances are at the upper end of the DfE thresholds, they do not differentiate between reserves held for committed and uncommitted expenditure.

Movement in School Balances per Sector

- 5.9 The table below illustrates the overall movement in net school balances, including opening balances for schools that converted to Academy status in year, as reflected on the RBWM reserve accounts.

Table 4 Movement in School Balances

Sector	As at 31/03/2016	As at 31/03/2017	Total Movement
	£'000s	£'000s	£'000s
Nursery	196	29	(168)
Primary	2,623	2,434	(189)
Secondary	423	247	(176)
Special	418	(672)	(1,090)
Total	3,660	2,037	(1,623)

- 5.10 Like many other LAs, RBWM does not operate a balance control mechanism to redistribute 'excessive balances'. The LA requests details of committed and uncommitted spend for inclusion in the annual Consistent Financial Reporting return (CFR). Please see Appendix A for details of individual maintained school balances.

Deficit balances

- 5.11 Three primary schools and Manor Green special school, ended 2016/17 with a deficit balance. Manor Green special school has submitted a balanced budget for 2017/18 and a full recovery plan.
- 5.12 The deficits total £870,000. No maintained middle or secondary school had deficits at the end of 2016/17.

Maintained School Balances as at 31 March 17

School	2015-16	2016-17			Movement in balances	Balance above 5% (sec) or 8%
	Balance excl Loans @ 31 Mar 2016	Surplus balance after loans	Deficit balance after loans	Percentage of 17-18 Budget		
Nursery						
Cookham Nursery	150,134	14,384		6.1%	(135,750)	
Maidenhead Nursery	19,461	8,684		3.0%	(10,777)	
The Lawns Nursery	26,742	5,729		1.7%	(21,013)	
	196,337	28,797	0	3.3%	(167,540)	0
Primary						
Alexander First	55,584	6,336		1.0%	(49,248)	
All Saints CE Junior	194,078	187,622		14.2%	(6,456)	82,021
Alwyn Infant And Nursery	137,835	110,804		9.5%	(27,031)	17,132
Bisham Ce Primary	(50,196)		(168,849)	(59.5%)	(118,653)	
Boyne Hill Ce Infant	73,289	39,285		4.0%	(34,004)	
Braywood CE First	45,464	57,808		9.8%	12,344	10,412
Cheapside CE Primary	9,861		(20,237)	(4.4%)	(30,098)	
Clewer Green CE	37,948	109,015		9.7%	71,068	19,200
Cookham Dean CE Primary	27,496	23,109		3.3%	(4,387)	
Cookham Rise Primary	80,312	96,758		11.2%	16,446	27,548
Courthouse Junior	159,514	170,002		11.0%	10,488	46,253
Eton Wick CE First	7,693		(9,242)	(1.4%)	(16,935)	
Furze Platt Infant	109,995	98,214		9.3%	(11,781)	13,906
Furze Platt Junior	68,428	81,259		6.2%	12,831	
Hilltop First	124,692	91,100		9.1%	(33,592)	11,400
Holy Trinity Cookham Primary	70,324	43,121		5.4%	(27,203)	
Holy Trinity Sunningdale Primary	61,670	69,171		8.1%	7,501	496
Homer First	86,748	80,211		8.1%	(6,537)	1,190
Kings Court First	97,864	125,980		14.5%	28,116	56,532
Larchfield Primary & Nursery	99,065	127,605		12.9%	28,541	48,609
Oakfield First	27,482	35,277		3.1%	7,795	
Oldfield Primary	70,241	26,077		1.9%	(44,164)	
Riverside Primary	150,251	258,620		17.5%	108,369	140,602
South Ascot Village Primary	128,131	178,627		19.5%	50,496	105,302
St Edmund Campion RC Primary	122,309	112,049		7.6%	(10,261)	
St Edwards Catholic First	94,481	62,355		5.9%	(32,126)	
St Michaels CE Primary	84,446	64,515		8.1%	(19,931)	452
The Queen Anne Royal Free CE	51,635	54,174		8.6%	2,539	3,948
The Royal (Crown Aided)	35,304	22,930		5.2%	(12,374)	
Trinity St Stephen CE First	28,917	39,644		6.5%	10,727	
Waltham St Lawrence Primary	5,744	7,475		1.6%	1,731	
Wessex Primary	2,232	57,216		3.1%	54,984	
Woodlands Park Primary	51,155	17,318		2.1%	(33,837)	
Wraysbury Primary	162,630	178,214		11.8%	15,584	57,783
	2,512,621	2,631,889	(198,326)	7.4%	(79,060)	642,787

School	2015-16	2016-17			Balance above 5% (sec) or 8%
	Balance excl Loans @ 31 Mar 2016	Surplus balance after loans	Deficit balance after loans	Percentage of 17-18 Budget	
Secondary					
Churchmead	98,019	80,457		3.5%	(17,562)
St Edwards Royal Free Middle	145,451	166,082		8.4%	20,631
	243,470	246,539	0	5.8%	3,069
Special					
Manor Green	417,811		(672,208)	(10.3%)	(1,090,019)
	417,811	0	(672,208)	(10.3%)	(1,090,019)
Total	3,370,240	2,907,225	(870,536)	4.6%	(1,333,550)
					709,828

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Agenda Item 5

ROYAL BOROUGH OF WINDSOR & MAIDENHEAD SCHOOLS FORUM

Date:	2nd November 2017	AGENDA ITEM: 05
Title:	Budget Monitoring and Forecast 2017/18	
Responsible officer:	Kevin McDaniel, Director of Children's Services	
Contact officer:	James Norris, Head of Finance (RBWM) Achieving for Children	Tel: 07824478100

1 PURPOSE AND SUMMARY

1.1 The purpose of this report is to provide the Schools Forum with:

- the projected financial position for 2017/18 with associated schedule of Risks & Opportunities
- the projected reserve balance as at 31 March 2018
- an understanding of the financial pressures which are currently being faced.

2 RECOMMENDATIONS

Schools Forum is asked to note:

2.1 The Forum is asked to note the contents of this report including the reported variance, schedule of Risks & Opportunities and the projected deficit balance carried forward as at 31 March 2018.

3 FINANCIAL SUMMARY

3.1 The overall Schools Budget 2017/18 is £62,031,000. There is a net in year deficit of £483,000 relating to the dedicated schools grant funded services mainly relating to the release of underachievement of the High Needs Block savings plan. The deficit of £483,000 consists of:

- underachievement of the High Needs Block savings plan due to schools not agreeing to a reduction in Top Up allocations and an increase in annual fees £300,000; further strategies are underway to deliver the remainder of the savings plan
- estimated increased numbers of pupils receiving Alternative Provision support £80,000
- additional cost of conversion to academy status for Bisham Church of England Primary School exceeding funding available by £69,000.
- in year increased school rates charged to the central school budget £40,000
- other minor variances net (£6,000) underspend

- 3.2 The net overspend will be an additional pressure on the dedicated schools grant reserve which as at 31 March 2017 was a deficit of £752,000; the revised projected deficit as at 31 March 2018 has increased to £1,235,000.
- 3.3 The Schools Forum meeting late in 2016/17 the forum was informed of a projected year end deficit and the planned three year recovery plan for 2017/18 onwards.
- 3.4 Table 1 sets out the summarised financial position for 2017/18.

Table 1 Summarised Financial Position

Schools Budget	S251 budget	Budget Adjustments	Current Budget	Forecast Variance	Projected Expenditure/ Funding	Note
	£000	£000	£000	£000	£000	
Expenditure						
Schools Block (post recoupment)	35,839		35,839	133	35,972	1
Early Years Block	9,667	(387)	9,280	(30)	9,250	2
High Needs Block	16,912		16,912	380	17,292	3
TOTAL EXPENDITURE	62,418	(387)	62,031	483	62,514	
Funding						
Dedicated Schools Grant (net)	62,418	(387)	62,031	0	62,031	
TOTAL FUNDING	62,418	(387)	62,031	0	62,031	
Note:						
Total in year surplus / (deficit)	0	0	0	(483)	(483)	
Brought forward surplus / (deficit)	(752)		0	0	(752)	
Total surplus / (deficit)	(752)	0	0	(483)	(1,235)	4

- 3.5 The material forecast variances are set out below:

Note	Comments
1	School related costs; including Academy Conversion deficit balance £69,000; in year changes to school rates £40,000; increased licence charges £27,000; additional growth fund allocations £25,000; reduced school rental costs (£20,000); other minor variances net (£8,000) underspend
2	Reduced spend on the Early Years SEN Inclusion fund in the Spring Term (£30,000)
3	Estimated increased numbers of pupils receiving Alternative Provision support £80,000; underachievement of the High Needs Block savings plan £300,000
4	Projected deficit on DSG General Reserves for 2017/18 £1,235,000 (excluding the Risks & Opportunities listed in table 2).

3.6 Table 2 sets out the summarised Risks & Opportunities. These are potential changes in forecast that currently are not being reported as there are currently plans to contain pressures or utilise underspends.

Table 2 Summarised Risks & Opportunities

	Variance to Current Budget	Note
	£000	
Expenditure		
Schools Block	80	1
Early Years Block	0	
High Needs Block	790	2
Total Expenditure Risks & Opportunities	870	

3.7 The material forecast risks & opportunities are set out below:

Note	Comments
1	Bad debt provision outstanding school loan £100,000; Other Central Provision for increased rental income (£20,000)
2	<p>The most significant risk of a further overspend is within the High Needs Block. Currently there is a risk of the under achievement of the savings plan which was budgeted to reduce costs by £900,000. The forecast includes the under achievement of £300,000, however, there is risk of a further £600,000 shortfall. The initial plan is set out in appendix A. Progress to date has been slower than expected. The outcome of the recent Special Educational Needs inspection will add to the complexities of delivering some previously identified strategies.</p> <p>In respect of Top Ups and Independent School placements detailed work is being undertaken to review the current cohort of pupils within this category and based on historic spending a risk of £150,000 has been flagged.</p> <p>There is a potential further overspend of £40,000 relating to the estimated number of pupils requiring Alternative Provision for the remainder of the financial year.</p>

4 PROJECTED RESERVE BALANCE

- 4.1 The net overspend will be an additional pressure on the dedicated schools grant reserve which as at 31 March 2017 was a deficit of £752,000; the revised projected deficit as at 31 March 2018 has increased by £483,000 to £1,235,000.
- 4.2 The projected reserve balance as at 31 March 2018 of £1,235,000 excludes the Risk & Opportunities Register net balance of £870,000. Incorporating this the projected reserve balance as at 31 March 2018 increases to £2,105,000.

5 FUTURE ACTION

- 5.1 The level of overspend is unaffordable for the Council. Achieving for Children officers are developing a recovery plan for consideration by both the Council and schools to bring the level of annual spend back into balance. Achieving for Children and the Council are also

exploring options to address the cumulative DSG fund deficit. These options will be discussed with the Council and head teachers over the coming months.

Appendix A

Year / Details	Mainstream School Top Ups	Special School and RP Top Ups	Forest Bridge Top Ups	Indep and NMSS Schools	Sen Support Services	Alt. Provision	Totals
	£000	£000	£000	£000	£000	£000	£000
2017/18							
Reduction in Top Ups	50	50					100
Consultation Review	30	20	20				70
Reorg. of Alt Prov						100	100
SEN Support Services					100		100
Commissioning		40	50	440			530
Total 2017/18	80	110	70	440	100	100	900
2018/19							
Reduction in Top Ups	50	50					100
Consultation Review	20	20	30				70
Reorg. of Alt Prov						140	140
SEN Support Services					60		60
Commissioning			30	500			530
Total 2018/19	70	70	60	500	60	140	900
Total							
Reduction in Top Ups	100	100	0	0	0	0	200
Consultation Review	50	40	50	0	0	0	140
Reorg. of Alt Prov	0	0	0	0	0	240	240
SEN Support Services	0	0	0	0	160	0	160
Commissioning	0	40	80	940	0	0	1,060
Totals	150	180	130	940	160	240	1,800

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Agenda Item 9

By virtue of paragraph(s) 7a of Part 1 of Schedule 12A of the Local Government Act 1972.

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