

Schools Forum – 20th May 2008

Report of the Director of Children's Services

Schools Budget - 2007/08 Financial Year Outturn

Purpose of Report

1. To provide Schools Forum with financial data in respect of the Schools Budget for the 2007/08 financial year ended 31st March 2008.

Budget Working Group Discussed

2. No.

Action for Schools Forum

3. To note the 2007/08 financial outturn in respect of the Schools Budget.
4. To agree the Schools approved spending plans for 2008/09 (as detailed in Appendix B)

Attachments to Report

5. Appendix A – Common Assessment Framework re-imbursements to schools in 2008/09.
6. Appendix B – Schools Reserves at 31 March 2008 –Provisional Outturn subject to audit.

Rachel Cooper
Senior Principal Accountant
6 May 2008

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Purpose of Report

1. To provide Schools Forum with financial data in respect of the Schools Budget for the 2007/08 financial year ended 31st March 2008.

Background

2. The Dedicated Schools Grant (DSG) funds the Schools Budget. The Schools Budget is a combination of centrally retained budgets together with the ISB (Individual Schools Budget).
3. For the 2007/08 financial year the DSG was £183.146m. The year-end position will record the DSG net expenditure at £182.786m; this is a provisional outturn and is subject to audit. Thus a roll-forward of DSG is anticipated in respect of the centrally retained areas of £0.360m.
4. The DSG roll-forward of £0.360m is a planned roll-forward from 2007/08 and will be allocated in 2008/09 as follows:
 - Underspend on the Common Assessment Framework (CAF) project of £177k. This will be repaid to schools in 2008/09. Appendix A provides details for each school.
 - Demolition of mobiles at Saltwells EDC – formerly Home and Hospital Tuition. £33k had been set aside during 2007/08 but the expenditure did not occur in time.
 - £150k will be set aside to fund the outcomes of single status and equal pay costs for staff affected by Dudley Schools Reorganisation.
5. The Schools Finance Regulations 2008 allow for the DSG balance at 31 March to be carried forward to the next financial year.
6. Schools roll-forwards from 2007/08 delegated budgets at the 31 March 2008 totalled £7.2m. These have now been added to their existing reserves of £3.9m to give a new schools reserve total of £11.1m at 31 March 2008. This data is subject to audit and is attached at Appendix B. The equivalent balance at 31 March 2007 was £9.5m.

7. The Director has approved in principle the Schools Provisional Spending Plans for 2008/09, which are still subject to claw-back decisions for 2007/08. Schools Forum are now asked to approve the plans at this stage, decisions regarding claw-back for 2007/08 will be reported to the July meeting.

Finance

8. The funding of schools is prescribed by the DCSF through the School Finance (England) Regulations 2008.
9. Schools Forums are regulated by the School Forums Regulations 2002 as already amended by the Schools Forums (Amendment) Regulations 2004 the Schools Forums (Amendment) 2005 Regulations and the Schools Forums (England) (Amendment) Regulations 2008.
10. From 1st April 2006, the Schools Budget will be funded by a direct DCSF grant: Dedicated School Grant (DSG).

Law

11. Councils' LMS Schemes are made under Section 48 of the School Standards and Framework Act 1998. The Education Acts 1996 and 2002 also have provisions relating to school funding.

Equality Impact

12. The Council's Equal Opportunities Policy is taken into account when considering the allocation of resources.

Recommendation

13. Schools Forum to:
- Note the 2007/08 Schools Budget financial year end position at 31 March 2008 (subject to audit);
 - Note the Schools delegated reserve balances at 31 March 2008 (subject to audit);
 - Approve the Schools Provisional Spending Plans for 2008/09 as detailed in Appendix B, subject to final claw back decisions for 2007/08.



John Freeman

Director of Children's Services

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