

Schools Forum 9 May 2006

Report of the Director of Children's Services

Medium Term Financial Plan

Purpose of Report

1. To advise Schools Forum of the medium term financial planning process for the Directorate of Children's Services.

Budget Working Group Discussed

2. Yes - 26 April 2006

Schools Forum

3. To note the construction of the medium term financial plan for future discussion.

Attachments to Report

4. None

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Purpose of Report

1. To advise Schools Forum of the medium term financial planning process for the Directorate of Children's Services.

Background

2. The Council's Medium Term Financial Strategy for the period 2005/06 to 2007/08 was approved at Cabinet on 8 February 2006.
3. The purpose of the Council's Medium term Financial Strategy is:
 - Provide a strategic context for the Council's budgets, spending plans and financial matters to ensure that spending decisions are consistent with the Council's overall priorities and objectives;
 - Sets out how the Council plans to balance spending pressures and available resources over the medium term, taking into account risks and uncertainties, and the level of Council Tax.
4. The DfES are now issuing multi-year budgets. The current funding period will cover the two financial years 2006/07 and 2007/08. It is expected that the next multi-year budget period will cover three financial years from 2008/09 to 2010/11.
5. The Director of Children's Services will bring forward to Schools Forum during the Summer term 2006, a proposed Medium Term Financial Plan in respect of the Children's Services Directorate.
6. The Children's Service medium term financial plan will draw upon all funding streams available to the Directorate. These include:
 - Dedicated Schools Grant (DSG);
 - Local Authority funding through the General Fund revenue;
 - Standards Fund grant;
 - General Sure Start Grant;
 - Health Authority;
 - Learning and Skills Council.
7. The plan will draw together future funding issues for the Directorate and consider current and future arrangements in respect of joint commissioning with the Health

Service together with pooled budget arrangements.

8. Pooled arrangements currently exist between the Directorate of Children's Services and the Health Authority in respect of an element of the budget available for pupils in external placements. In line with the Every Child Matters agenda, closer collaborative working will be necessary to cover multi- agency projects such as the introduction of Children's Centres and the on-going development of Extended School activities. The medium term plan would assist the Directorate to identify those forthcoming financial demands which require a discussion with external partners regarding their financial commitment to the project.

Finance

9. The construction of the Directorate of Children's Services Medium Term Financial Plan will be funded from existing resources.
10. The plan itself will identify the estimated resources required to fund the proposals together with the sources of funding.

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. It is recommended that: -
 - Schools Forum note the Director of Children's Service proposal to present to the Forum during the Summer term 2006 a medium term financial plan in respect of the Directorate.
 - The plan will then be presented to the Cabinet once the Forum have agreed the proposals.



John Freeman

Director of Children's Services

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