

## Directorate of Children's Services

### Budget Fact Sheet

#### APPENDIX A

No. 2 - February 2006

### Schools Budget 2006/07 & 2007/08

- Budget Fact Sheet Number 1 was issued in December 2005.
- The Single Pupil Count data has now been recorded and is being checked internally. Final validated pupil numbers will not be confirmed by the DfES until May 2006. The pupil count data compares January 2005 with January 2006. The latest data indicates that overall there are approximately **650 fewer pupils**:
  - PLASC: this refers to pupils in maintained Dudley Schools. Pupil numbers (including 6<sup>th</sup> form pupils) have reduced by 590 from 49,094 to 48,504;
  - SLASC: this refers to pupils in Dudley Pupil Referral Units. Pupil numbers have reduced by 9 from 100 to 91;
  - Form 8B: this refers to pupils in Independent Places and Education Otherwise. Pupil numbers have reduced by 35 from 161 to 126;
  - Early Years census: this refers to children aged 3 and 4 who are in non-maintained nursery settings. The pupil data is still being collected for submission to the DfES by 24<sup>th</sup> February 2006. The base data for 2005 was 929 children. Further details will be circulated once this information is confirmed.
- ***The effect of these pupil number reductions, which average 1.2%, will be a reduction in the Dedicated Schools Grant (DSG) for Dudley by £2.3m for 2006/07.***
- The latest estimate of the DSG for 2006/07 is £174.2m. This will provide an additional £8.7m in 2006/07 or 5.2%. The increase is required to fund both the delegated schools budgets and the centrally retained budgets from within the overall Schools Budget.
- The Schools Forum meeting on the 7<sup>th</sup> February 2006 considered the distribution of the additional DSG of £8.7m for 2006/07. After the cost of inflation and funding the Minimum Funding Guarantee (MFG) estimated at £4.9m, a balance of £ 3.8m is available for growth. Of this £2.3m is to be targeted to schools in accordance with DfES priorities; funding pressures identified within Access and Inclusion and Early Years monitoring will cost £0.9m; £0.4m has to be targeted to nursery education grants to private providers in order to bring parity with the maintained nursery sector; this leaves an unallocated amount of £0.3m. Schools Forum approved the allocation of the £300k to special schools in the light of the reports issued to the Forum regarding the funding of special schools.
- Dudley will not breach the Central Expenditure Limits (CEL) in 2006/07.
- Indicative School budgets for 2006/07 have now been issued to schools. A copy can be found on Inside Dudley together with the relevant guidance notes.

- The overall increase in the Individual Schools Budget (ISB) for 2006/07 is 10% or £14.7m; however due to the pupil number reductions many schools will see a below average increase.
- A number of base-line adjustments have been necessary for 2006/07 in respect of the ISB. The impact of these transfers accounts for 5.4% of the 10% increase or £7.9m of the £14.7m. The transfers relates to Teachers Pay Grant, Learning Skills Council, delegation of SEN Statements above 25 hours and transfers from the School Specific Contingency. Full details can be found within the guidance notes to schools.
- The average cash increase from 2005/06 to 2006/07 after adjustment is **£6.8m or 4.6%**.
- The DfES estimate that, nationally, 3.3% is adequate to cover inflationary increases for 2006/07. Using the 3.3% inflationary increase for 2006/07, the DfES have then assessed the Minimum Funding Guarantee as follows:
  - 0.7% has been added to account for the cost pressures in primary schools for implementing planning and preparation time from September 2005. This takes the primary and nursery sector MFG to 4% for 2006/07;
  - 0.1% has been added to account for the additional cost pressures in 2006/07 for exam invigilation in secondary schools. This takes the secondary and special MFG to 3.4% for 2006/07.
- For 2006/07 indicative budgets, 9 schools budgets have fallen below the MFG; 7 in the primary school sector and 2 in the special school sector. The cost is £179k and this has to be found from within existing budgets.
- Schools Forum approved in February 2006 the implementation, with protection, the SEN Matrix for Mainstream Pupils with Special Educational Needs. This has the effect of delegating funding and responsibility to schools, from 1<sup>st</sup> April 2006 in respect of Statemented Pupil Support costs which have previously been retained centrally for 25 hours statements.
- Overall between January 2005 and 2006 there has been an increase of 21% in the number of statemented hours approved in respect of Dudley pupils.
- Devolved Standards Fund Allocations for 2006/07 indicate an overall increase of 2.3%. The school development grant has been increased per pupil by 3.4%.
- Schools Standards Grant allocations for 2006/07 indicate an overall increase of 9.6%.
- 2006/07 Final Budgets and 2007/08 Indicative Budgets will be issued to schools by 31<sup>st</sup> March 2006.
- It should be noted that until the DSG for 2006/07 is finally confirmed by the DfES in April/May 2006 then any final DSG adjustment for 2006/07 will be offset against schools budgets for 2007/08. This could mean that the school budget issued at 1st April 2006 may be over or understated.

- **Further Details**

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