



Directorate of Children's Services

Budget Fact Sheet

No. 1 – January 2009

Schools Budget 2008-11

- The Government's Comprehensive Spending Review (CSR) announced in December 2007, provided local authorities with indicative budget information to cover the multi-year budget period 2008 –2011: 2008/09, 2009/10 and 2010/11.

- The Table below summarises the key data for Dudley:

Financial Year	£ per pupil funding guaranteed	% increase per pupil funding	Minimum Funding Guarantee level set	Dedicated Schools Grant Cash Increase
2008/09	3,949	4.3%	2.1%	2.82%
2009/10	4,092	3.6%	2.1%	Est. 2.0%
2010/11	4,263	4.2%	2.1%	Est. 2.6%

- The variance between the 2008/09 DCSF (Department for Children, Schools and Families) increase of 4.3% per pupil funding and the actual DSG (Dedicated Schools Grant) increase of 2.82% was due to falling pupil numbers within Dudley schools. Between January 2007 and January 2008 there was a reduction of 700 pupils.
- For 2009/10 and 2010/11, first indicative budgets were issued in March 2008 based on estimated pupil numbers. It is a statutory requirement of the DCSF that schools receive multi-year budgets even though the basis of the DSG can only be a forecast using estimated pupil numbers for future years. Therefore the 2009/10 and 2010/11 first indicative school budgets were issued with a 'health warning' over the basis of calculation.
- Autumn 2008 school census data is now collected for primary sector pupils. This is the first mid year primary pupil census count, which provides a more holistic picture of the pupil number trends to be expected for the local authority in January 2009. Therefore using this data as a proxy, it is estimated that the actual reduction in pupil numbers at the January 2009 school census date will be in the order of 700. This compares with a reduction of 700 pupils used to calculate the 2009/10 first indicative budgets. The effect of the **forecast** pupil number reductions will result in a cash increase in Dudley's DSG of 2% or £4m for 2009/10.
- Whilst the Autumn 2008 pupil count data has verified our earlier planning assumptions for 2009/10 DSG, schools should note that the 2009/10 and 2010/11 first indicative budgets issued in March 2008 did not reflect details of the proposed formula changes which were consulted upon last term and therefore this should be taken into account.
- The 'actual' pupil numbers (the 'pupil count') in January 2009, will reflect pupils recorded on the **Schools Census** (formerly PLASC), **Alternative Provision Census** (formerly Form 8b), **SLASC** (School Level Annual School Census) and the **Early Years Census**. Thus **all** pupils aged 3 to 16 will be recorded for the final determination of the DSG not just those in Dudley mainstream and special schools.
- The LSC (Learning and Skills Council) is still responsible for funding pupils in Dudley's three mainstream sixth form schools and will direct the relevant funding for those schools to Dudley; the LSC work to the same DCSF multi- year budget framework.

- **Job Evaluation (Single Status and Equal Pay)**

The Leader of the Council issued an update in October 2008 which can be accessed via Inside Dudley. As part of the 2008/09 closedown and the 2009/10 budget setting process, schools are advised to set aside further funds for Job Evaluation, in order to minimise the impact on the school's revenue budget once decisions have been finalised by the Council; currently £2.9m has been set aside by schools either as a contingency or revenue budget. It is anticipated that school level information will be available in February 2009 in order to aid budget planning decisions. This data will be communicated to schools via a series of workshops. Contact Sue Coates on ext. 4217.

- **Common Assessment Framework (CAF)**

An update on the progress of the implementation of Integrated Services for Information Sharing and Assessment was reported to Schools Forum at the December meeting. Due to the delay in appointing staff, there will be an under spend in respect of 2008/09 CAF budget; this will be returned to partners on a pro rata basis. Contact Rebecca Yates on extension 8324 for further details.

- **Extended Schools Trading Accounts**

Most schools have now established an extended schools trading account which operates outside of the delegated budget. Please ensure that at the financial year end the appropriate accounting adjustments are made to ensure that the balance at the 31st March represents only the operating surplus applicable to the account. Thus any income or expenditure in advance should be correctly treated in accordance with accounting principles. For further information, please contact your Account Manager or Wendy Bennett in Accountancy on extension 4812.

- **Devolved Formula Capital**

The DCSF devolved formula capital guidance does permit schools to draw down funds in advance up to the funding period announced, which in this case relates to the three year period 2008/09 to 2010/11; any anticipation of funding for further years is a risk. If schools are considering the option of drawing down devolved formula capital in advance, then it must be with the approval of the local authority. To enable schools to seek the relevant approval a proforma together with guidance can be found Inside Dudley via [http://insidedudley/finance/financial/support/Devolved capital drawdown proforma 2008/09](http://insidedudley/finance/financial/support/Devolved%20capital%20drawdown%20proforma%202008/09) or contact Alan Shakespeare on extension 4841.

- **SEN/AEN Value for Money Resource Pack**

The resource pack was issued by the DCSF in 2008. Four schools are currently piloting the use of the resource pack and feedback from this exercise will be provided to all schools before the 31st March 2009.

- **Next Stage in the DSG Budget Process**

Schools Forum is scheduled to meet on 24th February and 17th March 2009. Head Teachers Consultative Forum – Budget Working Group is scheduled to meet on 23rd February, 4th March and 12th March 2009.

- **School Budgets 2009/10**

It is anticipated that second indicative school budgets for 2009/10 will be issued during the week commencing 2nd March 2009 with final budgets confirmed by 31st March 2009. Queries regarding the pupil number assumptions built in to the first indicative budgets – contact extension 2213.

- **School Budgets 2010/11**

2010/11 second indicative budgets will be issued by 31st March 2009. Further information regarding the basis of these budgets will be given in a later budget fact sheet due to changes in early years funding from April 2010. For further information contact Sue Coates on extension 4217.

- **Further Details**

Children's Services Finance Manager on Karen.cocker@dudley.gov.uk. Telephone 01384 81 5382.

Jane Porter - Interim Director of Children's Services