

Dudley Metropolitan Borough Council

Schools Forum

16 March 2006

Report of the Director of Children's Services

Schools Budget 2007/08 - Indicative Estimate

Purpose of Report

1. To update Schools Forum of the latest position regarding the 2007/08 Schools Budget.

Background

2. It is now a statutory requirement for the 2007/08 indicative budgets to be issued to schools together with the Section 52 budget statement by 31 March 2006.
3. As part of the DfES multi-year budget process, 2007/08 is referred to as 'funding period 2'.
4. The DfES confirmed in December 2005 that this Authority's per pupil allocation in respect of 2007/08 is £3785.70.
5. In order to calculate the Dedicated Schools Grant (DSG) for 2007/08 the per pupil rate will be applied against the pupil numbers at January 2007. In order to prepare a financial model in respect of 2007/08 school budgets a number of pupil data assumptions will need to be made, 12 months in advance.
6. Due to the pupil data assumptions upon which the DSG is based, schools must be aware that the 2007/08 budgets are only indicative at this stage. Further work will be carried out in February 2007 based on the January 2007 pupil count.

7. The pupil numbers assumed, based on the DfES count methodology, are 48,596.50. Summary details are shown within the Table 1.

Table 1 – Estimated Pupil Count for January 2006 and 2007

Sector	DfES 2006 Pupil Count for Dudley Estimated at March 2006) Excludes LSC	DfES 2007 Pupil Count for Dudley Estimated at March 2006) Excludes LSC	Variance
	(a)	(b)	(b) – (a)
Nursery	1,298.5	1,298.5	0
Primary /Secondary	46,068	45,609	-459
Special	589	589	0
SLASC	91	91	0
Form 8B	126	126	0
Early Years	883(?)	883(?)	0
Total	49,055.5	48,596.5	-459

8. With 48,596.5 estimated pupils, this will provide a DSG of £183.9m for 2007/08. This will give a cash increase of £9.8m or represent a 5.62% increase from 2006/07.
9. The estimated DSG of £183.9m for 2007/08 is required to fund both the schools delegated budgets and centrally retained budgets within the Schools Budget.
10. School's budgets for 2007/08 are in the process of being modelled using the DSG data in paragraph 8. These will be circulated at or prior to the meeting for further discussion at the meeting.

11. The DfES targeted funding for schools in 2007/08 will be in accordance with the details in Table 2.

Table 2 – DfES Targeted Funding 2007/08

DfES Additional Targeted Funding 2007/08	2007/08 Additional Budget £	Total Targeted Funds within Schools Budgets £
KS3 Personalised Learning	£0.661m	£1.487m
Primary Personalised Learning	£0.213m	£0.929m
Practical Learning Options 14-16	£0.206m	£0.477m
Total	£1.080m	£2.893m

12. The DfES has confirmed that the MFG will be set at 3.7% for all schools budgets for 2007/08.
13. School Standards Grant (SSG) 2007/08. The DfES has confirmed that the allocation for SSG will be increased by a further 3.7% per pupil over the 2006/07 base.
14. Standards Fund 2007/08. The DfES has confirmed that the allocation for Schools Development Grant will be increased by a further 3.7% per pupil over the 2006/07 base.
15. Full details of schools standards fund devolved budgets, school standards grants and delegated budgets for 2007/08 will be circulated at or prior to the meeting.
16. Budget Fact Sheet No. 3 will be issued to schools after the Schools Forum meeting to update schools in respect of 2007/08.

Proposals

17. It is proposed that Schools Forum note the contents of this report regarding the budget information available in respect of the DSG for 2007/08 and the indicative school budgets for 2007/08.

Finance

18. The funding of schools is prescribed by the DfES through the School Finance (England) Regulations 2006.
19. From 1st April 2006, the Schools Budget will be funded by a direct DfES grant: Dedicated School Grant (DSG).

Law

20. 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.

Equal Opportunities

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

Recommendation

22. That Schools Forum note the contents of this report, and advise the Director of Children's Services in respect of proposals outlined in paragraph 17.



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