



Shropshire Council
Legal and Democratic Services
Shirehall
Abbey Foregate
Shrewsbury
SY2 6ND

Date: 10 June 2015

**Committee:
Schools Forum**

Date: Thursday, 18 June 2015

Time: 8.30 am

**Venue: Shrewsbury Training and Development Centre, Racecourse Crescent,
Monkmoor, Shrewsbury, SY2 5BP**

You are requested to attend the above meeting.
The Agenda is attached

Claire Porter
Head of Legal and Democratic Services (Monitoring Officer)

Members of Schools Forum

Bill Dowell (Chair)
Phil Adams
Austin Atkinson
Nicholas Bardsley
Richard Bray
Hilary Burke
David Chantrey
Chris Davies
Christine Harding
Christine Hargest
Ann Hartley
Sandra Holloway
Colin Hopkins
Jo Humphreys

Peter Ingham
Pete Johnstone
Martin Jones
Sally Lill
Yvette McDaniel
Kay Miller
Ian Nurser
Phil Poulton
Kay Redknap
Mark Rogers
James Sparkes
Colin Case
Joy Tetsill

Your Committee Officer is:

Philip Wilson Service Manager Business Support People

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AGENDA

- 1 **Apologies**
- 2 **Minutes and Matters Arising** (Pages 1 - 4)
- 3 **School Balances as at 31 March 2015 (Gwyneth Evans)** (Pages 5 - 8)
- 4 **Control of Surplus Balances (Gwyneth Evans)** (Pages 9 - 10)
- 5 **Updated Dedicated Schools Grant (DSG) 2015 - 2016 and Final Years Block 2014 - 2015 Allocation (Gwyneth Evans)** (Pages 11 - 14)
- 6 **Schools Financial Value Standard (SFVS) (Gwyneth Evans)**
- 7 **Dedicated School Grant Outturn 2014 - 2015 (Deborah Fern)** (Pages 15 - 20)
- 8 **Communications**
- 9 **Next Meeting:**

Thursday 17 September 2015, 8.30 am, STDC, Monkmoor

Future Meetings:

Thursday 22 October 2015, 8.30 am, STDC, Monkmoor
Thursday 26 November 2015, 8.30 am, STDC, Monkmoor
Thursday 28 January 2016, 8.30 am, STDC, Monkmoor
Thursday 24 March 2016, 8.30 am, STDC, Monkmoor
Thursday 9 June 2016, 8.30 am, STDC, Monkmoor

	<p>Schools Forum</p> <p>Date: 18 June 2015</p> <p>Time: 8.30 am</p> <p>Venue: STDC, Monkmoor, Shrewsbury</p>	<p><u>Item/Paper</u></p> <p style="text-align: center; font-size: 2em;">A</p> <p>Public</p>
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MINUTES OF SCHOOLS FORUM HELD ON 26 MARCH 2015

Present

School Forum Members

Bill Dowell (Chair)
 Phil Adams – Academy Headteacher
 Richard Bray – Secondary Governor
 David Chantry – Primary Governor
 Chris Davies – Special/Academy Headteacher
 Christine Harding – Early Years and Childcare
 Christine Hargest – Association of Secretaries
 John Hitchings – SSGC
 Sandra Holloway – Primary Governor
 Jo Humphreys – Primary Governor
 Sally Lill – Primary Headteacher
 Yvette McDaniel – Primary Headteacher
 Geoff Pettengell – Academy Headteacher
 Phil Poulton – Secondary Headteacher
 Mark Rogers – Primary Headteacher
 James Sparkes – Secondary Governor

Members

Cllr Ann Hartley
 Cllr Nick Bardsley

Officers

Karen Bradshaw
 Phil Wilson
 Gwyneth Evans
 Rob Carlyle
 Gareth Proffitt
 Helen Woodbridge (Minutes)

Observers/Visitors

Mark Blackstock
 Roger Evans
 Cllr Hannah Fraser

ACTION

1. Apologies

Apologies had been received from Colin Case, Deborah Fern, Peter Ingham, Pete Johnstone, Martin Jones, Joy Tetsill, Ruth Thomas and Neville Ward.

Mark Blackstock was welcomed as an observer in advance of his School Forum membership term commencing.

2. Minutes and Matters Arising (Paper A)

The minutes of the last meeting were accepted as a true record.

Gwyneth Evans clarified the position of Shropshire in terms of funding compared to other local authorities – 2014/15 140th, 2015/16 107th.

Phil Adams asked if pupil premium was low – Gwyneth had not yet analysed this but suspected that it is lower.

An item of Any Other Business was identified – Constitution of Schools Forum.

3. Joint Use Leisure Centres and Swimming Pools Funding

Phil Wilson went through the paper explaining that due to an EFA rule the funding reduction would need to be completed over a shorter period of time. John Hitchings was concerned that the sympathetic approach that had been agreed by Schools Forum could not be carried through – however, Schools Forum members understood that there was nothing they or the LA could do about this.

James Sparkes added that the reduction in funding is another example of pressures on small schools which in the case of Bishop's Castle may result in the closure of the pool.

Phil Wilson could see why the EFA were enforcing rules in their move towards a National Fair Funding system.

Phil Poulton confirmed that there is no money from schools to support the joint use facilities so activities will cease and there will be a knock on effect to the curriculum. Richard Bray and Geoff Pettengell echoed these concerns.

Mark Rogers spoke of the extra funding in 2015/16 - they responded that most of this had been used to cover pension and pay rise costs.

Schools Forum noted the change in the approval for the use of a joint use premises related factor in the Shropshire school funding formula from 2016-17 onwards, and considered the impact on the previous approval by Schools Forum to move over a 4 year period from 2015-16 towards the full delegation of the funding for joint use leisure centres and swimming pools.

Phil Wilson will report this to Leisure Services and write to schools to provide them with the information.

PW

4. SEND Funding Consultation Response

Gwyneth Evans talked through the paper.

The SEND Task and Finish Group will continue to meet in particular to consider bandings and to tighten up processes and procedures.

The Chair thanked the group for their work to date.

Chris Davies provided some feedback from a regional information session which had demonstrated that there was little understanding nationally.

5. Sustainability Task and Finish Group

Gwyneth Evans talked through the paper. The modelling tool had been sent out to school but there is a slight error so it has been recalled and will be sent again after the Easter holiday. A benchmarking tool is being considered which will be particularly useful for primary schools. A post 16 modelling tool has also been sent out and an early years version is in the process of being developed.

John Hitchings asked how sure the continuation of the extra £10 million received this year is.

Gwyneth Evans confirmed that f40 are raising this issue.

It was confirmed that training packages for schools and governing bodies are being discussed.

The Chair was concerned that the £10 million received this year is masking a long term challenge.

Rob Carlyle showed a map which demonstrated the declining NOR which would lead to a reduction in funding of £6 million.

Phil Wilson referred to Appendix 2 re place planning and advised that there

will be a further update in the summer.

The Chair stressed the importance of schools using the modelling tool and the need for balance between the autonomy of schools and the role of the LA so that schools do not go into deficit. Work to get governing bodies engaged with issues needs to continue.

Nick Bardsley felt that the message re falling rolls is getting through but that the £10 million has provided a comfort blanket.

James Sparkes was pleased that strategic conversations are being held as there is a vision needed to manage the declining NOR and a need from schools to know about support from the LA eg property and legal for reorganisation.

The Chair advised that the need and desire for local solutions has been communicated.

Chris Davies added that another dimension is that special school numbers are rising.

Phil Adams thought that politicians need to accept the exception to the rule - the market led model of education doesn't work when numbers are declining.

The Chair advised that he has engaged to make the situation in Shropshire clear. Nick Bardsley will report back to the administration.

The Chair advised that the Sustainability Task and Finish Group will meet again in the summer term. All colleagues were asked to continue to share information with colleagues, including recommending the use of the modelling tool.

Richard Bray spoke of the difficulties being faced and the need for support if schools are to stay as county schools.

Yvette McDaniel thought that schools would all become academies with possibly no LA.

The Chair reminded colleagues that the funding benefits the children in Shropshire so there is a need to work together for them.

PW

6. Universal Infant Free School Meals Capital Grant

Phil Wilson updated Schools Forum on the application of the capital funding delegated to schools for the implementation of the statutory universal infant free school meals (UIFSM).

Mark Rogers could not understand why schools had not spent their allocation – his school had overspent and he wondered if this could be reimbursed.

Sally Lill advised that had given her school's capital grant to her provider school so wouldn't know if her school's allocation had been spent and also some issues occur later.

Phil Wilson agreed to follow this up.

Jo Humphreys thought that any funding clawed back should be targeted at identified projects.

Schools Forum considered what should happen with any reported underspending of this capital grant and agreed with the recommendation from the Learning & Skills Capital Programme Board to claw back and redistribute the funding.

PW

7. Communications

The letter from Lord Nash on deficit budgets was discussed.

Phil Wilson advised that the LA will continue to work with schools and

Gwyneth Evans will bring a paper of deficit budgets to the next meeting. Karen Bradshaw advised that there are an increasing number of call in meetings with schools re their financial situation. The Chair was concerned at the unfairness that if an academising school was in surplus it was kept with the school but if in deficit it could be left with the LA (and therefore a cost to other schools). Schools Forum members agreed with his concern. David Chantry asked if we are clear how to stop schools overspending prior to becoming an academy. Gwyneth Evans advised that the LA is doing what it can. In a worst case scenario the LA could install an Interim Executive Board to replace the governing body but there are timescale issues. It was agreed that the Sustainability Task and Finish Group should consider the deficit budget protocol. Schools Forum members agreed that the LA needed to take prompt and appropriate action to prevent deficits building up.

GE

The f40 flyer was considered. John Hitchings reminded colleagues of the SSGC conference. He thought a copy of Rob Carlyle's map would be useful for this. Ann Hartley and Nick Bardsley confirmed they would be attending. Nick Bardsley will also be attending the SALC Executive meeting to talk about declining NOR. Ann Hartley advised that there is a strategy in Ellesmere to engage the community and obtain more funding which could fund three more teachers. Gareth Profitt is supporting on this.

PW

8. Next meeting

The next meeting will be held on Thursday 18 June 2015.

9. Any other business

Constitution of Schools Forum

	Current	Future
Primary headteacher	5	5
Primary Governors	5	4
Secondary Headteachers	3	2
Secondary Governors	4	2
Academy Headteachers/Governors	5	5

Phil Wilson is to talk to the three secondary headteachers and governors to manage this reduction.

PW

There are two primary headteacher vacancies which need to be filled – Phil Wilson will pursue this.

PW

The Chair thanked James Sparkes for his valuable contributions to Schools Forum as this is his last meeting. James Sparkes had been heartened by the way Schools Forum can have an influence.

The meeting closed at 10.10 am.

Future meetings: 17 September 2015, 22 October 2015, 26 November 2015, 28 January 2016, 24 March 2016, 9 June 2016



Schools Forum

Date: 18 June 2015

Time: 8:30 a.m.

Venue: Shrewsbury
Training and Development
Centre

Paper

B

Public

School Balances as at March 2015

Responsible Officer Gwyneth Evans

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Summary

This report analyses the actual levels of individual schools' balances as at March 2015 and compares these with the previous year's position.

Recommendation

This report:

- provides information on the actual levels of individual maintained schools' balances as at 31 March 2015
- recommends Schools Forum support the local authority in raising awareness in Shropshire maintained schools of the protocol for schools planning and managing a deficit budget.

REPORT

Background

1. Schools' surplus balances at the end of each financial year are carried forward and earmarked specifically for each individual school's use.
2. Deficit balances are also carried forward and set against the school's budget for the following year except where a school becomes a sponsored academy. In these instances any deficit remains with the local authority. Any school planning a deficit budget has to agree a licensed deficit arrangement with the local authority stipulating how and when the school will move out of a deficit position.
3. All such requirements are contained within Shropshire's approved Scheme for the Financing of Schools. The Scheme includes a schools' balance control mechanism, as agreed by Schools Forum, which requests the local authority to report on, control and claw-back, where appropriate, schools' excessive surplus balances. This is a mechanism to remove excessive balances from schools where they cannot demonstrate that they are properly assigned. Any such claw-back of balances is recycled within the overall Schools' Budget.

Actual levels of schools' balances as at 31 March 2015

4. The overall level of schools' balances in Shropshire reduced over the last financial year by £1,249,120 (22%) to a total balance of £4,422,917.
5. The attached appendix sets out detailed school by school information on the levels of individual schools' balances. The spreadsheet is presented in order of percentage size of balance compared to the total school revenue funding used in the control on balances mechanism.
6. A summary of the appendix is given in the table below:

	March 2014 Number of Schools	Balance March 2014 £	March 2015 Number of Schools	Balance March 2015 £	Variation over March 2014 Balance	
					£	%
Primary						
In Deficit	9	-268,185	8	-238,021	30,164	-11
In Surplus	117	4,888,928	115	4,985,228	96,300	2
Net Total	126	4,620,743	123	4,747,207	126,464	3
Secondary (inc All-Through)						
In Deficit	4	-1,590,992	3	-1,115,242	475,750	-30
In Surplus	8	1,738,141	6	722,726	-1,015,415	-58
Net Total	12	147,149	9	-392,516	-539,665	-367
Special						
In Deficit	1	-1,535	0	0	1,535	-100
In Surplus	2	905,680	2	68,226	-837,454	-92
Net Total	3	904,145	2	68,226	-835,919	-92
All Schools						
In Deficit	14	-1,860,712	11	-1,353,263	507,449	-27
In Surplus	127	7,532,749	123	5,776,180	-1,756,569	-23
Net Total	141*	5,672,037	134**	4,422,917	-1,249,120	-22

*The total number of special schools recorded in the table above at March 2014 includes one special school which converted to academy status towards the end of the financial year but their revenue balance remained in SAMIS at this point. Therefore the actual number of Shropshire maintained schools at March 2014 is 140.

**The total number of primary schools recorded in the table above at March 2015 includes two primary schools which converted to academy status towards the end of the financial year but their revenue balance remained in SAMIS at this point. Therefore the actual number of Shropshire maintained schools at March 2015 is 132.

7. During the financial year 2014-15, three secondary schools and five primary schools transferred to academy status. This reduces the total number of Shropshire maintained schools from 140 to 132.

Surplus Balances

8. Overall surplus balances have reduced by £1,756,569 (23%). The reduction relates to the secondary and special sectors.

9. Secondary school surplus balances have reduced by £1,015,415 (58%) over the year. Over half of this (65%) is due to two secondary schools converting to academy status during the year and taking their surplus balances with them.
10. Special school surplus balances have reduced by £837,454 (92%) over the year as a result of one special school balance transferring to the special academy.
11. Primary school surplus balances have increased slightly over the year by £96,300 (2%).

Deficit Balances

11. Overall deficit balances have reduced by £507,449 (27%) reflecting a reduction in the primary, secondary and special sectors.
12. However, the secondary school deficit balance reduction of £475,750 includes the removal of one deficit balance of £736,576 recorded at March 2014 (sponsored academy). Therefore overall deficit balances of maintained secondary schools have increased within the year by £260,826. Two secondary schools increased their deficit balances, one secondary school moved out of deficit into surplus and one secondary school moved from a surplus to a deficit position between March 2014 and March 2015.
13. Primary school deficit balances reduced overall by £30,164 over the year. Two primary schools' deficit balances were removed as they related to a closed school and a sponsored academy, five primary schools managed their deficit balance in line with their deficit recovery plan, three primary schools increased their deficit without the approval of the local authority and three primary schools moved into a deficit position from a surplus position without a licensed deficit agreement with the local authority.
14. The local authority has procedures in place to provide challenge and support to schools in deficit and, where known, schools heading towards a deficit budget position. The local authority has intervened in several instances to work with schools to ensure their budget remains in a surplus position or in line with their deficit recovery plan. There are several positive examples of the local authority working with schools throughout the year to prevent a deficit budget position from occurring and two examples of schools (one primary and one secondary) that have achieved a surplus balance a year earlier than their original agreed deficit recovery plan allowed.
15. However there remain a few cases where schools have not complied with the requirements of their deficit recovery plans or have moved unexpectedly into a deficit position at the year-end without notifying or seeking approval from the local authority. Where schools have not notified or sought approval for a deficit from the local authority the headteachers, school business managers and chairs of governors/chairs of finance have been called in to a meeting with the Head of Education Improvement and Efficiency and the School Funding Policy Officer to explain their actions and provide evidence of full pay back in the 2015-16 financial year.

16. The local authority continues to require schools with significant deficit balances to report their financial position to the local authority on a termly basis. Termly monitoring meetings are held between the local authority's School Funding Policy Officer and the schools. If and when necessary, headteachers, school business managers and chairs of governors/chairs of finance are called in to meetings with the Head of Education Improvement and Efficiency.
17. Whilst the new additional funding for Shropshire schools in 2015-16 will ease the pressure on some school budgets there remain many schools facing falling rolls, or previously dependent on minimum funding guarantee protection, that will continue to face budget challenges and the role of the local authority in supporting and challenging schools will continue.
18. From recent conversations with schools it is evident that there are headteachers and governing bodies that remain unaware of the local authority's protocol for schools planning and managing a deficit budget. The protocol is available to all Shropshire maintained schools on the Shropshire Learning Gateway, has been an agenda item on CPG and is referred to within the budget planning guidance notes provided to schools by the local authority each year. This report recommends that Schools Forum support the local authority in raising awareness of the protocol in Shropshire maintained schools through a letter to all headteachers and governing bodies.



Schools Forum

Date: 18 June 2015

Time: 8:30 a.m.

Venue: Shrewsbury
Training and Development
Centre

Paper

C

Public

Control on Surplus Balances

Responsible Officer Gwyneth Evans

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Summary

Shropshire's Scheme for the Financing of Schools includes a balance control mechanism as agreed with Schools Forum.

Schools holding surplus revenue balances above the threshold levels (8% primary and special schools, 5% secondary schools) for the past three consecutive years are subject to the control on balances mechanism.

Any balances clawed back are recycled within the overall Schools' Budget for the benefit of Shropshire pupils.

Recommendation

This report is for information only and details the individual school balances subject to the control on balances mechanism at March 2015.

REPORT

1. Individual schools holding surplus revenue balances above the threshold levels for the past three consecutive years were notified in September 2014 that the local authority, in line with Shropshire's Scheme for the Financing of Schools, would claw-back any remaining revenue balance above the threshold level at the end of the financial year 2014-15. This notification followed 'early notification' letters sent in September 2013.
2. It is recognised by the local authority that there may be some exceptional circumstances that require schools to retain a revenue balance above the prescribed threshold levels. The local authority has taken exceptional circumstances into account where appropriate.

3. A schedule of the schools subject to the claw-back mechanism at the end of the financial year 2014-15 and the allowed exceptional circumstances where agreed is detailed in attached appendix to this report.
4. No balances were clawed back from schools at the end of 2014-15.
5. The following table shows the number of schools holding surplus balances above their threshold level for 3 consecutive years, over the past 4 years. Claw-back is applied at the end of the following year if the school has not spent the balance or had approval to hold it as an exceptional circumstance.

	March 2011	March 2012	March 2013	March 2014
Primary	17	8	2	12
Secondary	3	3	0	0
Special	1	1	1	0
Total	21	12	3	12
Shropshire Maintained Schools Balances	£6.2m	£5.1m	£4.3m	£5.6m

6. Of the 12 primary schools holding surplus balances above their control on balances threshold level for 3 consecutive years as at 31 March 2014, 5 schools did not reduce their surplus balance to below the threshold level by March 2015 and were therefore subject to claw-back.
7. Each of the 5 primary schools put forward cases for exceptional circumstances which were agreed by the local authority. A brief summary is included in the attached appendix.



Schools Forum

Date: 18 June 2015

Time: 8:30 a.m.

Venue: Shrewsbury
Training and Development
Centre

Paper

D

Public

Updated Dedicated Schools Grant (DSG) 2015-16 and Final Early Years Block 2014-15 Allocation

Responsible Officer Gwyneth Evans

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Summary

The Department for Education (DfE) announced provisional 2015-16 local authority Dedicated Schools Grant (DSG) allocations in December 2014, as reported to Schools Forum on 22 January 2015. On 26 March 2015 updated DSG allocations for the 2015-16 financial year were announced.

The DfE also announced in May 2015 the final Early Years Block funding for the 2014-15 financial year based on January 2014 and January 2015 pupil numbers.

This report provides:

- a summary of Shropshire's updated 2015-16 DSG allocation and how it has changed from the provisional DSG allocation reported to Schools Forum in January 2015
- an update on the final 2014-15 Early Years Block funding and how it has changed from the provisional allocation announced in July 2014.

Recommendation

This report is for information only.

REPORT

Background

1. In January 2015 Schools Forum members received a report summarising the 2015-16 funding blocks that made up Shropshire's provisional DSG allocation and listing the key financial headlines for each of the blocks.
2. The 2014-15 DSG included a provisional Early Years Block allocation based on the January 2014 Early Years' Census. As expected, the DfE announced in

May 2015 the final Early Years Block allocation for 2014-15 based on 5/12ths of January 2014 pupil numbers and 7/12ths of January 2015 pupil numbers.

Updated 2015-16 DSG Allocation

3. Schools Forum members were presented with details of the 2015-16 DSG allocation as announced by the DfE on 17 December 2014. A summary of the this initial 2015-16 DSG and the latest updated 2015-16 DSG allocation announced on the 26 March 2015 is shown in the table below. Figures are before recoupment for academies.

	Initial DSG £m	Latest DSG £m	Variation £m
Schools Block	153.332	153.332	0
Early Years Block (Provisional)	7.417	7.417	0
High Needs Block	25.565	25.478	-0.087
Additions	0.052	0.052	0
Total DSG	186.366	186.279	-0.087

4. Overall Shropshire's DSG allocation has reduced by £87,000 in High Needs Block funding. This reflects a change in Government policy from funding post 16 high needs pupils on a residency basis to a location basis.
5. Both the Schools Block and the High Needs Block initial allocations will be subject to recoupment in relation to academies, post 16 high needs places and pre 16 high needs places in non-maintained special schools. DSG funding relating to these areas will be recouped from the local authority by the Education Funding Agency (EFA) and passed on to providers by the EFA.
6. The latest Schools Block and High Needs Block allocations following recoupment are shown below.

	Updated DSG 2015-16 £m	Recoupment 2015-16 £m	Updated DSG after Recoupment 2015-16 £m
Schools Block	153.332	46.105	107.227
High Needs Block	25.478	4.294	21.184

Final 2014-15 Early Years Block Allocation

7. The 2014-15 Early Years Block allocation of £7.279m was provisional based on January 2014 census data. As expected, the DfE has now announced the final Early Years Block allocation for 2014-15 based on 5/12ths of January 2014 census data and 7/12ths of January 2015 census data.

8. The final Early Years Block allocation for 2014-15 is £7.569m, an increase of £290,000 from the provisional allocation.
9. This change in allocation reflects an increase of 89 fte early years pupils from January 2014 (2,240 pupils) to January 2015 (2,329 pupils).

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Schools Forum Date: 18 June 2014 Time: 8:30 am Venue: Shrewsbury Training and Development Centre	<u>Item</u> Public	<u>Paper</u> F
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DEDICATED SCHOOLS GRANT OUTTURN 2014-15

Responsible Officer Deborah Fern
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Summary

This report outlines to Schools Forum members the centrally retained Dedicated Schools Grant (DSG) outturn for 2014-15

Recommendation

This report is for information only.

REPORT

Dedicated Schools Grant Outturn 2014-15

The overall outturn against centrally retained DSG has moved from a projected underspend of £1,026k as reported on 22 January 2015 - which was based upon expenditure to the end of December 2014 - to an underspend of £1,530k as at 31 March 2015 (detailed in the attached appendix). This equates to an increase in the underspend of £504k, with the main reasons summarised below:

Main reasons for a variation from budget of greater than £100k:

Line 1.0.1 – Early Years PVIs

Payments to private, voluntary and independent early year providers, providing placements for 2 year olds has overspent in 2014-15 by £373k.

Our financial allocation from the DFE for 14/15 was based on an expected level of take up of places over the financial year based on our previous performance in getting eligible parents to apply for, and then take up their entitlement and then, in turn, access a suitable childcare place.

Shropshire Council has actually been far more successful than the DfE expected and the overspend represents the placing of around 150 more children over the course of the year than was anticipated. At the moment there are around 730 eligible two year old children from disadvantaged backgrounds accessing all, or part, of their free entitlement. Data from the Department for Works and Pensions suggests that there are around 950 eligible families across the county.

This success will be reflected in the funding allocation for 2015-16.

Line 1.2.1 – Top Up Funding – Maintained Providers

The overall outturn position shows a £938k underspend. Top Up payments to schools are difficult to forecast as pupil demand is constantly changing. When setting the budgets a contingency is built in to cover for this, which in 2014-15 was £741k. The actual cost for 2014-15 is £611k less than budgeted for suggesting that only £130k of this contingency was applied.

In addition the recoupment recovered from other local authorities for their children attending Shropshire schools is £327k more than was budgeted for.

Line 1.2.2 – Top Up Funding – Academies and Free Schools

The overall outturn is overspent by £155k. Top Up payments to schools are difficult to forecast as pupil demand is constantly changing. This is funded from the contingency budget above.

Line 1.2.3 - Top Up Funding – External Providers

The outturn position is an under-spend of £997k. An additional £230k was received from the EFA to enhance the high needs funding following a place review after the initial budget had been set. Savings of £767k were made as placement costs to external providers were challenged and re-negotiated and the opening of the new hub at Kettlemere has provided the LA with a viable alternative to external providers.

Line 1.4.1 – Contribution to Combined Budgets

Following a review of the services and contracts within this section savings of £192k have been realised.

Line 1.4.12 – School Deficit Recovery

Schools Forum has previously agreed that the deficit of a school converting to academy under a sponsored arrangement will be paid off over a 5 year period from surplus balances within the centrally retained DSG. £168,141 relates to 1/5th of the total amount.

SUMMARY OF DSG FUNDING

	£'000
Total Surplus (ISB & Centrally Managed)	2,210

Transfer to Capital FSM 2015-16	-£500
Transfer to ISB 2015-16	-£500
Balance carried forward to 2016-17	£1,210

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CENTRALLY RETAINED DEDICATED SCHOOLS GRANT FUNDING PERIOD (2014-15)

No:	Description	2014/15 Latest Budget	2014/15 Outturn	Variance
1.01	Individual Schools Budget - Early Years PVI's	6,358,390	6,730,954	372,564
	DEDELEGATED ITEMS			
1.1.1	Contingencies	87,680	143,503	55,823
1.1.2	Behaviour Support Services			
1.1.3	Support to UPEG and bilingual learners			
1.1.4	Free school meals eligibility			
1.1.5	Insurance	26,210	26,210	0
1.1.6	Museum and Library Services			
1.1.7	Licences/subscriptions			
1.1.8	Staff costs Maternity supply cover	429,190	378,812	-50,378
1.1.8a	Staff costs Trade Union Duties	60,160	68,179	8,019
	HIGH NEEDS BUDGET			
1.2.1	Top Up funding - Maintained Providers	5,900,420	4,961,694	-938,726
1.2.2	Top Up funding - Academies & Free Schools	4,146,580	4,302,513	155,933
1.2.3	Top Up funding - Independent Providers	5,660,670	4,664,107	-996,563
1.2.4	Other AP Provision	179,550	137,754	-41,796
1.2.5	SEN Support Services	1,571,680	1,484,650	-87,030
1.2.6	Support for Inclusion	369,170	326,265	-42,905
1.2.7	Hospital Education Services	105,190	105,190	0
1.2.8	Special Schools and PRUs in financial difficulty			
1.2.9	PFI and BSF costs at special schools			
1.2.10	Direct Payments (SEN and Disability)			
	EARLY YEARS BUDGET			
1.3.1	Central Expenditure on children under 5	471,240	569,698	98,458
	CENTRAL PROVISION WITHIN SCHOOLS BUDGET			
1.4.1	Contribution to combined budgets	1,340,250	1,147,460	-192,790
1.4.2	Schools Admissions	279,200	306,823	27,623
1.4.3	Servicing of Schools Forums	11,000	11,000	-0
1.4.4	Termination of employment costs	1,091,400	1,027,695	-63,705
1.4.5	Carbon reduction commitment allowances			0
1.4.6	Capital Expenditure from Revenue (CERA)	609,770	609,770	0
1.4.7	Prudential Borrowing Costs	298,150	295,350	-2,800
1.4.8	Fees to independent schools without SEN			0
1.4.9	Equal Pay - Back Pay			0
1.4.10	Pupil growth / Infant Class sizes			0
1.4.11	SEN Transport			0
1.4.12	Exceptions agreed by Secretary of State	112,690	112,685	-5
1.4.12	School Deficit Recovery		168,141	168,141
14.6.1	TOTAL CENTRALLY RETAINED	29,108,590	27,578,453	-1,530,137
	CENTRAL DSG	22,146,960	20,230,794	-1,916,166
	DE-DELEGATED ISB	6,961,630	7,347,659	386,029
	TOTAL	29,108,590	27,578,453	1,530,137

DSG CFO STATEMENT

	Central Expenditure £000	ISB £000	Total £000
Final DSG for 2014/15 before Academy recoupment	22,146,960	151,616,774	173,763,734
Academy Figure Recouped for 2014/15	0	-38,223,734	-38,223,734
Total DSG after Academy recoupment for 2014/15	22,146,960	113,393,040	135,540,000
Plus: Brought Forward for 2013/14	1,480,058	182,710	1,662,768
Less: Carry forward to 2015/16 agreed in advance	-1,000,000		-1,000,000
Agreed budgeted distribution 2014/15	22,627,018	113,575,750	136,202,768
In Year Adjustments	-767,000	-235,072	-1,002,072
Final budgeted distribution in 2014/15	21,860,018	113,340,678	135,200,696
Less: Actual central expenditure	-20,230,795		-20,230,795
Less: Actual ISB deployed to schools		-113,759,794	-113,759,794
Plus: Local authority contribution for 2014/15			0
Carry Forward to 2015/16	1,629,223	-419,116	1,210,107

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