

OVERALL SCHOOLS BUDGT AND USE OF HEADROOM

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1. This report is aimed at bringing together the various issues raised elsewhere on the agenda with regard to their impact upon the available resources of Headroom within the DSG.
2. For reference Annex A sets out the provisional figures for the 2007/08 Schools Budget as agreed by the Schools Forum in March 2006.
3. Annex B to the report then picks up the totals from the provisional figures and contrasts them with figures updated for price and volume variations. The annex also picks up the additional cost of the various development items addressed elsewhere on the agenda and shows how these impact upon the available resources.
4. Annex C is also a reference document, showing the ISB calculation agreed by the Schools Forum in March 2006.
5. Annex D is similar to Annex B in that it starts from the provisional ISB, contrasts this with the ISB updated for the latest information e.g. pupil numbers and then goes on to illustrate the potential impact of proposed service developments.
6. Based on the latest forecast of the DSG itself and the ISB and central expenditure budgets updated for price and volume changes, but not for service developments the available Headroom is calculated as £2,330k.
7. Annex D then illustrates a number of proposed service developments within the ISB. The first of these are a series of technical adjustments to the formula in respect of new and re-organising schools. Forum Members may recall that with changes in regulations for 2006/07 the funding of schools is now based solely on data captured in the January census rather than reflecting a potential differential between academic years within the financial year. For many schools where numbers remain reasonably stable this does not make a big difference. However, for new and re-organising schools this can be a significant issue. In recognition of this the Schools Forum agreed to a new formula factor in 2006/07 which effectively results in the AWPU funding for these schools to be calculated on the previous 5/12, 7/12 basis. This arrangement did not take account of other factors in the formula such as social disadvantage, teachers pay etc. upon which there is clearly an impact of a significant change in numbers of pupils/staff etc. from one academic year to another. The proposal here is to amend the formula to recognise the impact of this for new and re-

organising schools so that these other factors effectively reflect a 5/12, 7/12 apportionment. For 2007/08 this will affect Oakgrove, Hazeley and Ousedale schools.

8. The second development item is aimed at addressing underfunding of the two new secondary schools and is discussed at item 7 on the agenda.
9. The third item on the list of potential developments is a reflection of the work commissioned by the Forum in respect of deprivation funding and is discussed at item 9d on the agenda.
10. The final development item within the ISB reflects the issue of Free School Meal funding discussed at agenda item 6.
11. Annex B picks up in summary form all the development proposals within the ISB as well as two additional items in respect of central expenditure. The first of these is in respect of the Looked after Children Education Team. This is picked up in paragraph 2.3 of Item 9a.
12. Finally there is a proposal to set aside a provisional sum within the central expenditure to allow for potential increased costs following a review of placements. This is discussed in paragraph 2.4 of Item 9a.
13. Having taken account of all of the above issues it can be seen from Annex B that the remaining Headroom is just £104k. Clearly if the Forum do not support any of the development items listed the costs avoided will feedback into increased Headroom. By contrast if the Forum choose to expand the coverage of a particular issue when it is being discussed this will reduce the Headroom.
14. Following consideration of all the development items, assuming that some Headroom remains the Schools Forum will need to decide whether to leave any remaining balance unallocated for now, or to allocate it for a particular purpose.