

SCHOOLS BUDGET 2007/2008

REPORT BY FINANCE MANAGER, CHILDREN AND YOUNG PEOPLE

HEREFORDSHIRE SCHOOLS FORUM

6 JUNE, 2007

Schools Affected

All Schools

Purpose

1. To report on the Section 52 Education Budget Statement for 2007/08.

Financial Implications

2. None

Report

3. The Schools Budget has now been finalised and issued to schools. The Section 52 Education Budget Statement has been completed for financial year 2007/2008 and submitted to the DfES. Full details of all Section 52 tables are published on the Council's website.
4. In Autumn 2006, the Dedicated Schools Grant (DSG) was provisionally set by DfES at £81,892,000 based on 23,247 pupils. Pupil numbers collected in the January 2007 PLASC were 23,438; 191 higher than estimated by DfES in Autumn 2006. Due to the uncertainty over pupil numbers, school budgets have been allocated on the basis that only half of this increase in pupil numbers will be confirmed by DfES and hence a revised estimate of Dedicated Schools Grant of £82,563,636. DfES have not yet confirmed these pupil numbers nor the amount of finalised DSG. Confirmation is expected by mid-June. Any under or over allocations of budget may have to be carried forward to 2008/2009 unless offset by under or over-spending of DSG at year end.
5. A DSG underspend of £222,756 has been carried forward from 2006/07. It is recommended that no decision is taken on the use of this underspend until the final DSG for 2007/08 is known. This sum could also provide a useful contribution to the year on year savings required from falling pupil numbers.
6. The final increase in the Individual Schools Budget was 5% and the increase in central expenditure was 4%; growth in central expenditure is limited to the maximum percentage increase as set by growth in the Individual Schools Budget. The per pupil funding for primary pupils increased by 5.9% and for secondary pupils by 6.2% although the numbers of pupils has fallen.
7. Copies of the Section 52 Budget Statement (Appendix 1), the Schools Budget Summary (Appendix 2) and Central Expenditure Limit (Appendix 2) are attached as appendices to the report.

Further information on the subject of this report is available from
Malcolm Green, Finance Manager on (01432) 260818

Recommendation

That:

- (a) the percentage of 5% increase in Individual Schools Budget and Central expenditure 4% increase be noted;
 - (b) consideration of the use of the 2006/07 underspend be deferred until the final DSG for 2007/08 is known;
- and
- (c) to comment on any of the budget lines in the Section 52 Budget Statement and Annexes as appropriate.

Further information on the subject of this report is available from
Malcolm Green, Finance Manager on (01432) 260818