

SECTION 52 BUDGET 2005/06

REPORT BY MANAGER OF LMS AND PLANNING

HEREFORDSHIRE SCHOOLS FORUM

9TH JUNE 2005

Schools Affected

All schools

Purpose

1. To review the 2005/06 Section 52 budget statement and to highlight the key changes.

Financial Implications

2. No immediate implications although the 2005/6 budget will provide the base for planning changes for 2006/2007.

Report

3. Copies of section 52 budget statement (6 tables in all) will be sent to all schools. A copy of Table 1, the Section 52 budget statement for 2005-06 is attached as an Appendix.
4. Compared to 2004/05 the key highlights to note are;
 - The ISB has increased by 7.5% compared to the DfES minimum funding guarantee of 5% for primary schools and 4% for secondary and special schools. The ISB on a per pupil basis has increased by approximately £200 per pupil (Mike??) compared to an inflation increase at 3% of £79 per pupil. (Line 1.0.1) Approximately £1.8m more has been delegated at the start of the financial year. **Schools should not rely on further funds to be delegated during the course of the year. This may come as an unexpected change for some headteachers.**
 - Standards fund delegated to schools has increased by 51% and that kept centrally on behalf of schools has decreased by 23% (Line 1.0.3)
 - The support for schools in financial difficulty is zero (line 1.1.2)
 - A Banding budget of £520,000 has been established (line 1.2.2)
 - The budget for fees for pupils at independent special schools has increased from £1m to £1.3m, an increase of 32%. The forecast expenditure for 05/06 already projects an overspend on the joint health and children's services budget (line 1.2.7).
 - A small budget of £65,000 has been established for the repair and maintenance of school kitchens (line 1.4.4).

Further information on the subject of this report is available from Dr Eddie Oram, Director of Education on 01432 260801

- The budget for Strategic Management has been reduced by £650,000 equivalent to 28%, although approximately half of this reduction has been transferred to Asset Management to better reflect the work of Property Services. (line 2.0.8)
 - The transport budget has remained static, effectively absorbing the cost of inflation and the additional school days in this financial year. (Line 2.4.6-2.4.9).
 - The grant received from the LSC for sixth form provision (including special schools and out county provision) has increased by an overall 19% which is welcome, however the grant is short of actual costs by £267,829. (Line 4d5). The LSC is due to consult on the funding for Post 16 special pupils.
5. A more detailed spend per pupil analysis is usually published by DfES on their website in July/August which compares our budgeted expenditure with our Ofsted family neighbours. Although care is needed when drawing comparisons particularly on funding levels, it provides a useful benchmark of performance.

RECOMMENDATION

THAT: the Forum considers the 2005/06 Section 52 Schools Budget Statement.

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