



WOKINGHAM BOROUGH COUNCIL

A Meeting of the **SCHOOLS FORUM** will be held at the Waingels College, Waingels Road, Woodley RG5 4RF on **WEDNESDAY 15 JULY 2015 AT 9.15 AM**

A handwritten signature in black ink, appearing to read 'Andy Couldrick'.

Andy Couldrick
Chief Executive
Published on 7 July 2015

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Our Vision

A great place to live, an even better place to do business

Our Priorities

Improve educational attainment and focus on every child achieving their potential

Invest in regenerating towns and villages, support social and economic prosperity, whilst encouraging business growth

Ensure strong sustainable communities that are vibrant and supported by well designed development

Tackle traffic congestion in specific areas of the Borough

Improve the customer experience when accessing Council services

The Underpinning Principles

Offer excellent value for your Council Tax

Provide affordable homes

Look after the vulnerable

Improve health, wellbeing and quality of life

Maintain and improve the waste collection, recycling and fuel efficiency

Deliver quality in all that we do

MEMBERSHIP OF THE SCHOOLS FORUM

Non School Representatives

Vacancy	Oxford Diocese
Vacancy	Roman Catholic Diocese
Ian Pittock	Wokingham Borough Council WBC Children's Services
Stephen King	Wokingham 14-19 Partnership/Post 16 provider Bracknell & Wokingham College
Clare Sheppard	Early Years Forum
Charlotte Wilkinson	Early Years Forum

Schools Representatives

Phil Armstrong	Maintained Nursery Headteacher
Ali Brown	Primary Head - Nine Mile Ride Primary
Louisa Gurney	Primary Head - Emmbrook Junior
Sally Hunter	Primary Head - Wescott Infant
Brian Prebble	Primary Head - Rivermead Primary
Eileen Rogers	Primary Head - Gorse Ride Junior
Elaine Stewart	Primary Head - Aldryngton Primary
Helen Ball	Primary Head – Polehampton Infant
Ginny Rhodes	Secondary Head - St Crispins
Ann Keane-Mayer	Secondary Head - Waingels College
Liz Meek	Special School Head - Addington School
Dominic Geraghty	Special School Head - Southfield School
Mary Rome	Pupil Referral Unit - Foundry College Headteacher
Derren Grey	Academy Headteacher - The Piggott School
Janet Perry	Academy Business Manager - The Holt School
John Bayes	Governor, Chairman
Nick Dyer	Governor Vice Chairman
Mike Hutchinson	Governor
Paul Miller	Governor

Observers

Funding Reform Team	Education Funding Agency, Maintained Schools Division
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From the Primary Heads only 4 votes are allowed.

From the Special School Heads only 1 vote is allowed.

From the Early Years only 1 vote is allowed.

ITEM NO.	WARD	SUBJECT	PAGE NO.
54		APOLOGIES To receive any apologies for absence.	
55		MINUTES OF PREVIOUS MEETING To confirm the Minutes of the Meeting held on 20 May 2015.	7 - 12
56		DECLARATION OF INTEREST To receive any declarations of interest.	

57	None Specific	SCHOOLS BUDGET 2015/16 - FINANCIAL MONITORING To receive and consider a report giving details of the latest outturn position in the 2015/16 Schools Budget.	13 - 16
58	None Specific	DEDICATED SCHOOLS GRANT (DSG) 5 YEAR FINANCIAL PLAN To receive and consider a report giving an indication of the financial horizon for the DSG in 2015 to 2020, including the future financial pressures.	17 - 24
59	None Specific	DEDICATED SCHOOLS GRANT (DSG) - GROWTH PROVISION FOR 5 YEAR PLANNING To receive and consider a report giving details of the requirements for growth provision within the DSG.	25 - 34
60	None Specific	SCHOOL EXCESS BALANCES BROUGHT FORWARD TO 2015-16 To receive and consider a report giving details of the Schools' Balances carried forward into 2015/16; and review the criteria in the Clawback Mechanism for 2016/17.	35 - 46
61		FORWARD PROGRAMME To consider the Forums work programme for the remainder of the municipal year.	47 - 48
62		ANY OTHER ITEMS WHICH THE CHAIRMAN DECIDES ARE URGENT A Supplementary Agenda will be issued by the Chief Executive if there are any other items to consider under this heading	
63		EXCLUSION OF THE PUBLIC That under Section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A of the Act as appropriate.	
64	None Specific	EDUCATION HEALTH CARE PLANS - TRANSITION ARRANGEMENTS To receive and consider a confidential report detailing a request for additional funding.	To Follow
65	None Specific	SHARED RESPONSIBILITY FOR SUPPORT SERVICES - UPDATE To receive and consider a confidential report giving an update on issues around shared responsibility for support services.	To Follow

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**MINUTES OF A MEETING OF THE
SCHOOLS FORUM
HELD ON 20 MAY 2015 FROM 1.00 PM TO 3.50 PM**

Schools Representatives

Phil Armstrong	Maintained Nursery Headteacher
Brian Prebble	Primary Head - Rivermead Primary
Elaine Stewart	Primary Head - Aldryngton Primary
Ginny Rhodes	Secondary Head - St Crispins
Ann Keane-Mayer	Secondary Head - Waingels College
Liz Meek	Special School Head - Addington School
Mary Rome	Pupil Referral Unit - Foundry College Headteacher
Derren Grey	Academy Headteacher - The Piggott School
Janet Perry	Academy Business Manager - The Holt School
John Bayes	Governor, Chairman
Nick Dyer	Governor Vice Chairman
Mike Hutchinson	Governor
Paul Miller	Governor

Non School Representatives

Ian Pittock	Wokingham Borough Council
Clare Sheppard	Early Years Forum

Also Present

Matthew Marsden, Childrens Services
Tricia Harcourt
Donna Munday
Alan Stubbersfield

41 APOLOGIES

Apologies for absence were submitted from Sally Hunter, Charlotte Wilkinson.

It was noted that Wazir Khan had resigned from the Forum as his terms of office as a governor had come to an end.

The Chairman welcomed Helen Ball, Headteacher of Polehampton Infant School, who had been appointed to replace Christine Hyatt as the North Cluster representative.

42 MINUTES OF PREVIOUS MEETING

The Minutes of the meeting of the Committee held on 18 March 2015 were confirmed as a correct record and signed by the Chairman, subject to the correction in Minute 34 on Agenda page 8, that the training could be provided through the National Association of School **Business** Managers.

43 DECLARATION OF INTEREST

There were no declarations of interest.

44 CONTINUOUS SERVICE - REQUEST TO EXTEND PROVISIONS FOR TEACHERS

The Forum received and considered a report set out on Agenda pages 13 and 14, detailing a request to allow the recognition of service accrued by teachers in academy/free schools continuous service provisions for teachers moving from academy schools to be extended for the calculation of sickness and maternity entitlements on their return to employment in a Local Authority School

Nicky Barlow presented the report and explained that currently under the provisions of the Burgundy Book, which sets out the Terms and Conditions of Service for Teachers, if a teacher moves from a local authority maintained school to work in an academy/free school, that service cannot be counted for the purpose of the calculation of aggregated or continuous service in relation to occupational maternity pay and sick pay. However support staff, whose terms and conditions of service are in the Green Book, already have this provision written in.

The request would bring teachers into line with support staff and would facilitate the movement of teachers between local authority and academy/free schools. The only impact on the central Schools Budget would be to refund schools for any additional maternity pay. Individual schools cover the cost of sick pay and normally have insurance cover.

Forum agreed that it was appropriate to bring teachers in line with the support staff and that any perceived barrier to recruitment should be removed.

RESOLVED: That the provisions of the Burgundy Book Terms and Conditions for Teachers be extended to include the recognition of service accrued by teachers in academy/free schools for the purposes of calculating sickness and maternity entitlements when they move from an academy/free school voluntarily to a Wokingham Borough maintained school.

45 SCHOOLS BUDGET 2014/15 - FINANCIAL MONITORING - FINAL OUTTURN

The Forum received and considered a report set out on Agenda pages 15 to 20, and with the table circulated separately, detailing the projected final outturn position for the 2014/15 Schools Budget as funded by the Dedicated Schools Grant (DSG) , including Education Funding Agency funding and the Pupil Premium Grant.

Donna Munday presented the report which listed the main material movements from the approved budget set in July 2014 and from that forecast in March 2015. This shows a decrease in the projected outturn surplus from £1,466,000 in March to £982,000. The table circulated separately showing the S251 budget lines, included a commentary on the material movements; the main ones since the last report were:

- Line 1.3.1 - Pupil Referral Units -£127,000 surplus which is Foundry College's year end carry forward;
- Line 1.0.1 High Needs Block allocations – £865,000 of additional distribution and year end accruals;
- Additional grant notifications of £216,000

Officers indicated that a paper will be brought about the impact of the new schools and the complexities of growth in pupil numbers.

RESOLVED: that the final outturn Monitoring Report for the 2014/15 Schools Budget be noted.

46 SCHOOLS FORUM WORKING GROUP - DRAFT TERMS OF REFERENCE

The Forum received and considered a report set out on Agenda pages 21 to 23, setting out suggested Terms of Reference for the proposed Schools Forum Working Group.

Matt Marsden introduced the report, which set out proposals for the setting up and activities for a small Working Group of Schools Forum Members, as suggested at the last meeting. The idea was for the Group to gain a better understanding of the budget setting process and be able to challenge assumptions. It would not make decisions, only feed back to the main Forum, possibly with recommendations.

One of the issues to be discussed was whether the current method of presenting the budget information needed changing.

During the discussion the following points were made:

- We could end up with a small group of people who understand more than others – a two tier system;
- the more detailed/different information should be provided for all Forum members;
- It would be helpful to have it documented to show how the budget decisions are made;
- The information provided in advance of meetings should be in a form that all can understand with more detailed commentary;
- Any group should be time limited;
- Some other local authorities prepare a booklet giving details of each budget line and the decisions made, which could be kept by Forum Members to refer to at all meetings. This would help Members to understand /remember what decisions have been made, which would stop a lot of questions about the activity on individual budget lines.
- It would be helpful to have information by the end of June, in good time for the 15 July meeting;
- Doubtful of the benefit of spending time preparing a 5 Year Plan;
- A training session for all would be useful.

Officers agreed that they would review the information provided on the 2015/16 and 2016/17 budgets; get that information out as early as possible and would prepare a draft of a 5 year Plan. They also indicated that they were proposing that additional meetings of Forum be programmed in November 2015 and February 2016 to allow more time for budget discussions.

RESLOVED: That:

- 1) a Working Group would not be formed;
- 2) detailed information on the 2015/16 and 2016/17 Schools Budgets would be provided for all Forum Members in good time for discussion at the next meeting on 15 July;
- 3) a first draft of a 5 Year Plan would be considered at the next meeting.

47 EXCEPTIONAL NEEDS MODERATION PANEL - REVIEW

The Forum received and considered a report set out on Agenda pages 25 to 29, giving details of the review of the operation of the Exception Needs Moderation Panel arrangements, after one year of operation

Kathy Roberts presented the report and explained that the review had looked at the current arrangements where the Panel meets once a term to consider requests from

schools for financial support to address particular exceptional circumstances that cannot be funded from their special needs allocation. Currently requests and supporting information are considered at cluster meetings, then presented to the Panel by the cluster representative.

The review identified that this process extends the time taken before a decision is made and that there is duplication of effort from those involved, so changes to the process have been suggested.

The details of the changes were set out in the report, but the main suggestions were;

- Panel membership changed;
- The Panel to meet every half term;
- Requests to be submitted directly to the SEN Officer 2 weeks before the scheduled meeting, with papers circulated in advance;
- Cluster meetings will continue to review requests and consider single pupil focus requests for up to £2,000.

New criteria for exceptional requests were set out in the report.

The cluster would evaluate the impact of the allocations on a termly basis, as these allocations are meant to be for short term solutions. There should be an SEN Officer and a Finance Officer present at the cluster meetings.

Forum members who had raised the issue and asked for a review, indicated that they were happy with the new proposals.

RESOLVED: That the proposed model of operation for the Exceptional Needs Moderation Panel, as set out in the report be adopted.

48 SPECIAL NEEDS ALERT

Linda Orr gave a verbal update on the situation regarding the funding required for pupils with Special Education Needs, who have out of Borough placements. She indicated that in September 2015, the number of pupils would reduce because the number of leavers will be eleven and there are six anticipated new placements. However the needs of pupils and costs are increasing, with the average cost of one of the pupils leaving being £450,000 and the estimated costs for one of the new pupils being £560,000.

There are three families with social care needs, with a child who may need placements. Currently there are four outstanding cases going to Tribunal, and those decisions have the potential for the child to be placed in maintained provision. In cases where children's needs are complex, there should be some contribution from Social Care; an equitable split must be ensured.

It was noted that in budget line 1.2.4 a surplus of £489,000 had been achieved from a budget of £6,144,000 in 2014/15. However the allocation made for this line in the 2015/16 budget £5,794,000, although now predictions are that placement costs may rise.

Comment was made that more use should be made of the resources within the Borough.

RESOLVED: That the SEN Alert report be noted.

49 FORWARD PROGRAMME

The Forum considered and noted the Forward programme of work set out on Agenda page 31 and agreed to the following changes:

- Additional meetings of Forum be arranged for 18 November 2015 and .. 24 February 2016;
- The Growth Fund Allocations report and impact of new Schools reports will be moved to the July meeting;
- A report on the Primary Strategy will be added to the October meeting.

The next meeting will be held on 15 July at Waingels College.

The dates of future meetings were noted:

23 September, 21 October, 18 November and 16 December 2015

20 January, 24 February, 16 March and 18 May 2016.

The October meeting will be held at Charvil Piggott School.

50 EXCLUSION OF THE PUBLIC

RESOLVED: That under Section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraphs 1 and 2 Part 1 of Schedule 12A of the Act (as amended) as appropriate.

51 CLUSTER FAMILY SUPPORT WORKERS

The Forum received and considered a confidential report set out on Agenda pages 33 to 55 on the work of the Family Support Workers in the context of fixed term funding, including a copy of the Parenting Team Report.

It was acknowledged that the work provided by the Family Support Workers was valuable and any reduction would have an impact on schools. However it was

RESOLVED: That at this time, there is no commitment to allocate further funding.

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SCHOOLS FORUM

Schools Budget Financial Monitoring Report – July 2015

Purpose of the Report

- 1 The purpose of this report is to provide details of the outturn position on the Schools Budget funded by the Dedicated Schools Grant (including EFA funding), Pupil Premium Grant and Universal Infant Free School Meal grant.

Suggested Action

- 2 The Forum are asked to note the contents of this report.

Update

- 3 The Final budget report presented at the March 2015 Forum showed an outturn position of (£807k) as at the end of March 2016. There is a net movement of £510k forecast against the budget, a £26k variance from that previously reported at the May Forum. A movement of £484k was reported when finalising the 2014/15 outturn position.

- 4 The material forecast movements are highlighted below.

Material movements £'000's	£'000's
Budgeted deficit / (surplus)	-807
Previously reported in year variance to budget	484

Material movements in period:

1.1.2.	Internal recharge not included in original Budget build	119
1.2.4.	Net impact from Element 2 charge	-10
	Re-alignment of Budget & highlight Foundry carried Forward	
1.3.1.	unavailable for allocation	131
1.3.3.	Re-alignment of Foundry Budget back to original	36
1.4.10.	Revision of Growth provision estimates for 2015/16	-145
DSG	Late adjustment by EFA to academy Recoupment	136
	HNB Adjustments see note in para 0.6	1124
	Element 2 pre 16 at Non Maintained Special Schools	-260
	exceptional places process adjustment carried out by DfE	-33
		26
	Carry forward deficit/ (surplus) to 15/16	-297

- 5 Appendix A shows the budget in detail, noting the relevant sections of the DSG, and which items are delegated and where appropriate subsequently de-delegated. Each movement has a comment explaining the variance

- 6 Indicative budgets were issued in December 2014 by the EFA that did not reflect the future change in regulations affecting Element 2 of SEN funding. The change meant that non maintained institutions instead of receiving Element 1 from the EFA and

Elements 2 and 3 from the LA; they would receive Elements 1 & 2 direct from the EFA and only Element 3 from the LA. In order to achieve this the EFA deducted the lagged funding from the LA budgets. At budget setting time an estimate of £546k was included for post 16 pupils, the actual deducted at the end of March was £536k.

- 7 Further adjustments from the end of March through to May have had the following impact. An adjustment of £1,124k reduced the LA's HNB allocation; £260k was later refunded by the EFA as it referred to pre 16 Element 2 funding which we had not been allocated in the first instance. Similarly £33k was refunded regarding the Exceptional Place process which we had not been allocated in the first instance. The amount of £295k reflected the change in regulations from student location to residency. Thus the overall reduction on this funding line was £831k (£546k of which had been budgeted for)
- 8 Further budgetary changes saw a drop in Pupil Premium Grant (PPG) of £312k, this is the first time since PPG was introduced that there has been a fall in grant. It is believed to be as a result of parents of children in infant schools not registering for PPG as they are now in receipt of the free school meal.

Donna Munday
Schools Finance Manager
July 2015

Schools Budget Monitoring Report June 2015

	S251 line no.	S251 title	FINAL Budget 2015/16	Forecast as at the end of June 2015	Movement as at the end of June 15	Comments on Movement from FINAL budget
SB	1.0.1	Schools Block Allocation excl Academies	72,382	72,382	0	
		Academy Recoupment from Schools Block	22,241	22,241	0	
		UIFSM Revenue / Start Up	1,298	1792	494	Full year effect, income shown below, overall nil impact
HNB	1.0.1.	High Needs Block allocations	6,187	6,187	0	
	1.0.1.	Pupil Premium excl Academies	2,925	2,613	(312)	PPG allocation confirmed June 2015, LAC PPG tba December 2015, reduced income shown below, overall nil impact
EY	1.0.1a	Early Years Block Allocation inc exp for Education of Children under 5s in Private/voluntary/independent settings	6,438	6,438	0	
		Total ISB and PVI allocations	111,471	111,653	182	Overall nil impact as income of £182k shown below
	1.0.2	Pupil Premium allocated to schools - mainstream	50	50	0	
	1.0.3	Pupil Premium in non-mainstream settings	25	25	0	
De-delegated in 2013/14	1.1.2	School-specific contingencies	132	251	119	Internal Recharges previously in Foundry Budget not included in original budget build
		NQT Induction	32	32	0	
EY	1.1.3	Early Years Contingency	229	229	0	
HNB	1.2.1	Provision for pupils with SEN (including assigned resources)	2,268	2,268	0	
	1.2.1	Moderating Panels	150	150	0	
HNB	1.2.2	Provision for pupils with SEN, provision not included in line 1.2.1	100	100	0	
HNB	1.2.3	Support for inclusion	577	577	0	
HNB	1.2.4	Fees for pupils at independent special schools & abroad	5,794	5,794	0	
	1.2.4.	Element 2 funding for post 16	546	-	(546)	Funding notification received, income now included below
HNB	1.2.5	SEN transport	230	230	0	
HNB	1.2.7	Inter-authority recoupment			0	
HNB	1.3.1	Pupil Referral Units	500	631	131	£4k realignment of budget back to original; £127k being the amount Foundry carry forward, highlighted here to remove from total carried forward
De-delegated in 2013/14	1.3.2	Behaviour Support Services	321	321	0	
HNB	1.3.3	Education out of school	600	636	36	£36k realignment of budget back to original
Delegated in 2013/14	1.3.4	14 - 16 More practical learning options	-	-	0	
De-delegated in 2013/14	1.4.1	Support to under-performing ethnic minority groups and bilingual learners	146	146	0	
SB	1.4.10	Pupil growth/ Infant class sizes	765	620	(145)	budget revised in line with 5 year growth plan
SB	1.4.5	Carbon reduction commitment allowances	-	-	0	
Delegated in 2013/14	1.5.2	Free school meals - eligibility			0	
SB	1.5.4	School kitchens - repair and maintenance	-	-	0	
De-delegated in 2013/14	1.6.1	Insurance	558	558	0	
SB	1.6.3	School admissions	281	281	0	

Schools Budget Monitoring Report June 2015

	S251 line no.	S251 title	FINAL Budget 2015/16	Forecast as at the end of June 2015	Movement as at the end of June15	Comments on Movement from FINAL budget
De-delegated in 2013/14	1.6.4	Licences/subscriptions	224	224	0	
SB	1.6.5	Miscellaneous (not more than 0.1% total of net SB)	92	92	0	
SB	1.6.6	Servicing of schools forums	4	4	0	
De-delegated in 2013/14	1.6.7	Staff costs - supply cover (not sickness)	369	369	0	
		Total Central Expenditure	13,993	13,588	(405)	
	1.8.1	TOTAL SCHOOLS BUDGET	125,464	125,241	(223)	
	DSG	Schools Block Allocation	91,878	92,278	400	Recoupment adjustment late notification -£136k, £536k received post HNB review
WBC allocation	DSG	High Needs Block	17,656	16,825	(831)	Adjusted for Element 2 funding -£1,124k, pre 16 NMSS £260k, NMSS exceptional places £33k
WBC allocation	DSG	Early Years Block 3-4 year olds	6,276	6,276	0	
		Dedicated Schools Grant Total	115,810	115,379	(431)	
	DSG	Academy Recoupment from Schools Block	22,241	22,241	0	
WBC allocation	DSG	Maintained Schools Block	69,637	69,606	(31)	per revised notification
	DSG	Early Years Block 2 year olds	391	391	0	
	DSG	Additional School Grants	250	250	0	
	DSG	UIFSM Revenue	1,298	1,792	494	
	EFA	Education Funding Agency 6th Form Funding	4,000	4,000	0	
	EFA	Pupil Premium 5-16 years	3,000	2,688	(312)	PPG allocation confirmed June 2015, LAC PPG tba December 2015
	DSG	Pupil Premium 3-4 years	56	56	0	
					0	
		TOTAL FUNDING	124,805	124,556	(249)	
		Total in-year (surplus)/ deficit	659	685	26	
		Brought Forward (surplus) /Deficit balance	(1,466)	(982)	484	2014/15 Outturn reported at May Forum
		TOTAL YEAR-END (SURPLUS)/DEFICIT	(807)	(297)	510	

SCHOOLS FORUM

Dedicated Schools Grant (DSG) - 5 Year Financial Plan

Purpose of the Report

- 1 To provide the Schools Forum with an indicative view of the financial horizon for the DSG 2015-2020. The report's objective is to help understand some of the financial pressures that are being faced and allow time for planning to address such challenges. The report will also form the basis for the budget setting for 2016/17. The 5 year plan will become a standard annual document, reflecting expected changes for future years and to monitor the risk of the DSG becoming unsustainable.

Suggested Action

- 2 The Forum is asked to note the contents of this report and consider approaches to the 2016-17 budget build.

Background

- 3 The Schools Forum requested early indications for forthcoming budgets, and detailed insight into the assumptions and the make up of such budgets. The proposal was to produce a 5 year financial plan for the July Schools Forum to provide insight into the medium term requirements on the DSG budget, but also to provide that early indicative view of the budget for the following year. It should be noted this is a preliminary report, further work will be required in order to confirm the budget, but this paper highlights the anticipated future financial requirements on the DSG to help maintained schools and academies plan ahead
- 4 As part of the 2015/16 budget setting, AWPU's were reduced acknowledging not only that the DSG in year budgets were running at a deficit and could not be sustained for the long term, but also the introduction of new schools and other factors would add pressure in 2016/17.
- 5 There are a number of contributing factors to the pressures being faced in the DSG budget, these include the introduction of the Childrens and Families Act which now puts a responsibility on the DSG for pupils up to the age of 25, previously 19. This Act also introduces the Education, Health, Care Plan (EHCP) which requires conversion of existing statements requiring additional resource. In a borough with ambitious development plans bringing new families into the region, the Wokingham DSG has encountered increasing pupil numbers entering reception classes where we do not receive funding for the year on year increase. The funding is lagged until the pupils are recorded on school census and only made available in the following financial year.
- 6 As anticipated, 2016/17 is the peak year in terms of outgoings; there will be further lagged funding issues while Reception numbers increase from one year to the next in comparison to those leaving year 11. They will with time be replaced by the dynamic of a change in the proportion of pupil numbers in primary to those in secondary. We receive the same funding from the EFA for both, but our outlay is significantly higher

for secondary schools. As the bulge in pupil numbers moves from primary to secondary estimated in 2020, the costs accordingly rise without income rising in line.

- 7 The financial position starts to improve over the 5 year plan, however as highlighted above, the change in weighting from primary to secondary starts to have a detrimental impact on the DSG as can be seen from the reducing in year to year 5.
- 8 The numbers below reflect a suggested 1.5% reduction in AWPU for 2016/17 to minimise the risk of creating an unmanageable deficit DSG position for Wokingham. It needs to be noted there is a 1.5% limit to how much the allocations can be reduced through reductions in AWPU as the minimum funding guarantee (MFG) kicks in to protect schools, and at a cost to DSG. If further reductions were required, then a review and potential reduction of the lump sum may need to be considered. Lump sums have been maintained at the maximum levels through the model, the assumption being to protect small schools. This position needs to be monitored carefully on an annual basis.

Financial Summary

- 9 The 5 year financial summary below captures best known data available today and application of assumptions to formulate a financial forecast. The summary takes into account expected pupil growth within the borough, new schools, alternative provision review and any anticipated funding changes.

DSG 5 year financial plan	2013/14 Actual	2014/15 Actual	2015/16 Forecast	2016/17 Year 1	2017/18 Year 2	2018/19 Year 3	2019/20 Year 4	2020/21 Year 5
		£k	£k	£k	£k	£k	£k	£k
Total income	99,836	101,029	101,884	104,002	106,835	109,055	110,036	111,230
Outgoings								
Schools allocations	72,164	72,493	74,152	75,235	77,196	79,072	80,879	82,717
Pupil Premium	1,913	2,735	2,744	2,792	2,872	2,936	2,967	3,003
Early Years allocations	5,835	6,087	6,276	6,213	6,027	5,545	5,545	5,545
SEN / HNB	17,573	17,853	16,894	16,707	16,506	16,426	16,267	16,326
Growth	639	611	620	1,189	1,091	1,193	1,117	1,148
Central Expenditure	1,120	1,417	1,424	1,771	1,824	1,854	1,854	1,854
Internal Recharges	459	459	459	459	459	459	459	459
Total Outgoings	99,703	101,655	102,569	104,367	105,975	107,486	109,088	111,052
Net in year (Surplus) / Deficit	(133)	626	685	365	(860)	(1,570)	(948)	(178)
Carried forward (Surplus) / Deficit Balance	(1,608)	(982)	(297)	69	(791)	(2,361)	(3,309)	(3,487)

To note,

- The above analysis does not reflect any Academy conversions post June 2015
- There is no provision for falling 6th form funding / numbers
- There is no provision to support schools in financial difficulty
- Pupil numbers grow through this period thus 2016/7 must fund more AWPU's than 2015/, please refer to pupil numbers in 0.5 below.
- In year surpluses are on the decline come year 5, projected to decline further with the weightings of secondary pupils to primary pupils

Please refer to headings below for assumptions being applied against the line items above;

Pupil Numbers

- 10 The below table shows the projected pupil numbers each year, showing primary pupils growth starting to slow in 2019, with continued growth in secondary pupil numbers. Close monitoring of anticipated pupil numbers will be undertaken and factored into future 5 year plans taking account of the impact from the new housing developments which are anticipated to bring a higher weighting of young professionals and young families into the borough in the early years.

	2015	2016	2017	2018	2019	2020	2021
Total	22,355	22,904	23,698	24,305	24,619	24,968	25,216
Secondary	8,315	8,488	8,780	9,162	9,583	10,030	10,342
Primary	14,040	14,416	14,918	15,143	15,036	14,937	14,875

Financial impact on schools

- 11 Against a background of pupil growth and costs growing ahead of income, a 1.5% (£1.2m) reduction in AWPU for 2016/17 is included in the figures above to balance the bottom line, with no further AWPU reductions applied for the remaining 4 years in the plan. Our estimation of the impact on individual schools from such a reduction is as follows;

- Small Primary - £5k reduction in funding
- 1 form entry - £8k reduction in funding
- 2 form entry - £13k reduction in funding
- 3 form entry - £17k reduction in funding
- Small secondary - £50k reduction in funding
- Large secondary - £70k reduction in funding

The above projections are estimates which do not include any impact of changes in pupil numbers per school, these do fluctuate by school. The LA will be updating a more accurate position when the EFA releases the funding spreadsheet, expected at the end of July.

If the projections are correct, then future year reviews of the surplus balance will be required for reasonableness.

Income

- 12 The projected income rates remain flat with the exception of pupil premium which has been forecast to increase in line with projected pupil growth rates, the same assumption has been made to the expenditure line for pupil premium, as such nil effect on the bottom line. However should pupil growth rates increase at a rate higher than currently projected, this will offer additional funds to schools to support those vulnerable children.
- 13 DSG has been inflated in line with the projected pupil numbers as highlighted in 0.5 above, but the assumption on the Guaranteed Unit of Funding (GUF) is it remains flat to the rate provided in 2015. Increases in year on year pupil numbers are treated as being lagged funded, as such Wokingham DSG only receives the GUF in the following year for the increased pupils PE Sports Grant has been removed as known

to be ceasing in 2016/17, shown under “Additional Grants” Universal free school meals fluctuates year on year as a result of projected pupil numbers for the given year groups, this is money that is allocated straight to schools under “schools allocations”

Income breakdown by grant

	2013/14 Actual	2014/15 Actual £k	2015/16 Forecast £k	2016/17 Year 1 £k	2017/18 Year 2 £k	2018/19 Year 3 £k	2019/20 Year 4 £k	2020/21 Year 5 £k
Income								
DSG Funding	92,932	92,079	93,098	94,741	97,438	99,622	100,669	101,894
Additional grants	333	533	250	250	250	250	250	250
UIFSM	0	1,298	1,792	1,834	1,891	1,863	1,765	1,699
EFA	4,658	4,384	4,000	4,384	4,384	4,384	4,384	4,384
Pupil Premium grant	1,913	2,735	2,744	2,792	2,872	2,936	2,967	3,003
Total income	99,836	101,029	101,884	104,002	106,835	109,055	110,036	111,230

School allocations

- 14 School allocations have been calculated based on projected numbers in year groups against an average rate of funding across the individual key stages. A reduction in allocation for 2016/17 has been applied equivalent to £1.2m, estimated to be a 1.5% reduction in AWPU's across all key stages. Allocations are based on Academic years in line with funding to schools based on pupils on Schools census.

Pupil Premium allocations

- 15 As highlighted above in the income line, allocations are based on expected income.

High Needs Block(HNB) / Special Education Need (SEN)

- 16 Reviews of High Needs Block funded Provision across the borough are currently underway. The intention is to reduce the number of pupils having to leave the borough in order have their needs met. Given the anticipated future increase in pupil numbers there is an additional anticipation of an increase in pupils with SEN. It is acknowledged that in certain circumstances a school cannot support a child and they are then transferred to either a resource unit or a special school. We have recently introduced a Virtual School and plan to introduce a Secondary ASD unit whilst at the same time expanding provision at Southfields and reviewing existing resource bases.
- 17 The LA has invested in two additional functions, a Continued Health Claims (CHC) team & Commissioning support. The CHC team are currently reviewing placements to identify those where they believe there is a Health need. Applications to Health are in progress which will be reviewed at a panel to determine the outcomes. This is an area where the LA have seen success in recent years within Adult Social Care, investment was made to expand the service in 2014/15, the team are advertising a further post to help expedite the applications and manage new placements.
- 18 The dedicated commissioning team are working with our providers out of borough to negotiate preferable rates, it is early days and given the nature of the requirements

with potential for unique circumstances with each placement, it does not necessarily lend itself to block contracts and the ability to negotiate rates.

High Needs Block Breakdown

	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
	Actual	Forecast	Year 1	Year 2	Year 3	Year 4	Year 5
	£k						
Aspire / pupils	£ 60,000	0	0	0	0	0	0
SEND Reforms	£ 45,000	0	0	0	0	0	0
ASD Unit cost	0	0	£ 133,713	£ 127,120	£ 165,680	£ 206,680	£ 247,680
Potential ASD Savings	0	0	-£ 185,000	-£ 370,000	-£ 555,000	-£ 740,000	-£ 740,000
Foundry	£ 1,330,000	£ 1,315,000	£ 1,315,000	£ 1,315,000	£ 1,315,000	£ 1,315,000	£ 1,315,000
BAU	£ 128,000	£ 128,000	£ 128,000	£ -	£ -	£ -	£ -
Southfields	£ 1,118,950	£ 1,187,448	£ 1,269,948	£ 1,269,948	£ 1,269,948	£ 1,269,948	£ 1,269,948
Addington	£ 3,994,497	£ 4,095,110	£ 4,095,110	£ 4,095,110	£ 4,095,110	£ 4,095,110	£ 4,095,110
Mainstream school & Resource Unit funding	£ 1,686,553	£ 1,052,786	£ 1,076,786	£ 1,112,786	£ 1,136,786	£ 1,144,786	£ 1,160,786
EHCP's /NWPU's	£ 2,343,000	£ 2,264,656	£ 2,264,656	£ 2,264,656	£ 2,264,656	£ 2,264,656	£ 2,264,656
SEN Transport	£ 230,000	£ 230,000	£ 230,000	£ 230,000	£ 230,000	£ 230,000	£ 230,000
SEN Equipment	£ 100,000	£ 100,000	£ 100,000	£ 100,000	£ 100,000	£ 100,000	£ 100,000
Support for Inclusion	£ 573,000	£ 577,000	£ 328,000	£ 337,840	£ 347,975	£ 358,414	£ 369,167
Moderation panel	£ 100,000	£ 150,000	£ 150,000	£ 150,000	£ 150,000	£ 150,000	£ 150,000
Pre 16 / Post 16 OOB	£ 6,144,000	£ 5,794,000	£ 5,801,250	£ 5,873,750	£ 5,905,650	£ 5,872,300	£ 5,863,600
Totals	£ 17,853,000	£ 16,894,000	£ 16,707,463	£ 16,506,210	£ 16,425,805	£ 16,266,894	£ 16,325,947

The above analysis includes the following assumptions;

- Funding ceases for Aspire & SEND reforms in 2015/16
- The introduction of a 5 place per year group ASD unit will incur costs to run the new facility but deliver savings from out of borough places
- BAU unit to move to Reading so place funding ceases
- Increase in provision of places at Southfield in 2016/17
- Mainstream funding increases in line with projected pupil growth
- Support for inclusion reflects the removal of support for Family Support Workers in 2016/17.
- Projected Out of Borough (OOB) placements anticipated in future years at an average rate of £72,500 per placement, offset by expected success in CHC, where the responsibility of meeting part of the costs falls on Health as there is a primary Health need for some of the placements. Expected 5 successful cases in first 2 years reducing over time, reducing the cost to the DSG and Wokingham Borough Council. Expected improved rates for new placements working with the dedicated commissioning function.

Growth

19 Growth assumptions as presented in the separate Growth paper.

Central Expenditure

Central Expenditure Breakdown	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
	Actual	Forecast	Year 1	Year 2	Year 3	Year 4	Year 5
	£k						
Schools specific contingency	-125	-118	132	132	132	132	132
NQT induction	0	0	0	0	0	0	0
Early years contingency	164	164	164	164	164	164	164
Schools Kitchen Repairs	0	0	0	0	0	0	0
Insurance	565	565	565	593	593	593	593
Schools Admissions	182	182	182	182	182	182	182
Licenses & Subscriptions	247	247	247	247	247	247	247
Miscellaneous	-127	-127	0	0	0	0	0
Servicing Schools Forum	0	0	0	0	0	0	0
Staff costs - supply cover	375	375	345	370	400	400	400
Support for ethnic minority groups	136	136	136	136	136	136	136
Total Central Expenditure	1,417	1,424	1,771	1,824	1,854	1,854	1,854

The above numbers reflect one off grants received in 14/15 & 15/16 not projected for future years, misc includes the carry forward for Foundry College..

Internal recharges

- 21 Further analysis of internal recharges to be presented to the Schools Forum in September, showing the breakdown of charges and the reasons for the charge.

Other considerations

- 22 These are:

- Cuts being faced by schools have built a political head of steam, with Wokingham MP John Redwood actively engaged with Governors & parents to take the challenges to Westminster to lobby for more equitable funding for Wokingham.
- The Children's and Young People's Partnership is working together to help shape and form strategies together for our young people in the Borough.
- Consideration of options for Schools, use of vacant caretakers cottages given expected demands on early years provisions within the Borough.
- An early years strategy paper is to be drafted to consider the implications from increased free provision to 30 hours, the demands on the service from the new housing developments, and funding.

- Options for more collaborative working within schools, feeder schools etc., shared resources.
- Options for further government funding for Clustered schools business managers to help drive efficiencies in Schools.
- NEXT STEPS – This report has illustrated financial pressures...Autumn term meetings...early notice of indicative budgets...work with schools likely to be experiencing deficits...

Matt Marsden
Finance Business Partnering Manager
July 2015

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SCHOOLS FORUM

Dedicated School Grant (DSG) Growth Provision for 5 Year Planning

1 Purpose of the Report

The purpose of this report is to provide the Schools Forum with an understanding of the requirements for growth provision within the DSG, giving insight into the assumptions and the costs applied.

2 Suggested Action

The Forum is asked to note the contents of this report.

3 Background

With continued growth in pupil numbers and more expected from the large scale housing developments within Wokingham, there is and will continue to be increased pressure on places within our schools. This has already led to a number of permanent expansion programmes in our primary schools and the introduction of 3 new primary schools over the past 3 years. These expansions have come at a cost to the DSG where a school operates at diseconomies of scale in the early years as it only receives funding from the number of pupils in school at the previous census date.

The growth provision is just one line on the DSG and reflects the impact of expanding schools and pupil numbers. The analysis below will form part of the 5 year plan to allow the Schools Forum to make more informed decisions and to better understand the cost pressures - the intention being to try to highlight the pressures faced to both Schools and Wokingham Borough Council to address these issues, and to encourage greater partnership working to try to mitigate the financial risks as far as possible.

The forecasting of school places and the process of identifying where basic needs investment is required is extremely complex. The core projection model is based on ONS birth statistics and census data and is updated annually using the January census. To the core model are added the projections for new housing and the model is further adjusted by taking into account a number of factors such as immigration, cross border movements, new schools in neighbouring authorities, council tax profiles, house sizes and the profile of new home owners in the borough. Finally, the projections both inform and take into account the outputs from the Primary & Secondary strategies.

Roll projections will continue to be updated and their outputs fed into the 5 year Plan.

Plans to mitigate the effect of financial implications from such growth are being pursued, including reviews of planning area splits, approaching HCA / S106 / Community infrastructure Levies for funding, motions through Council for (1) increased council tax to support schools and (2) increased direct funding from

central government, CAHMS strategy to alleviate pressure on DSG, review of capital assets.

The growth estimates do not include any provision for schools with falling rolls that may face financial difficulty, because no such provision is currently allowed in Wokingham's funding formula. Neither do these estimates take into account the impact of current and future school deficits.

4 Financial Summary

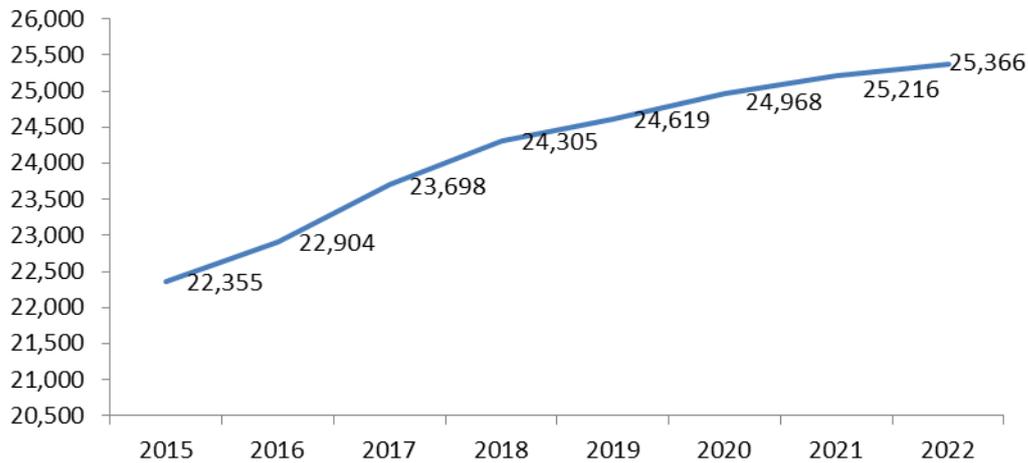
The summary below shows the growth requirements for expansion within school settings to accommodate provision of basic needs placements. The increase in provision rises significantly in 2016/17 as a result of launching a new secondary school as well as an additional primary school at Montague Park. The effect of introducing new schools requires funding for those schools in the early years which tails off as the school start to fill its yearly intake. The maximum growth requirement over the coming 5 years is £0.6m, a 100% increase on the provision held in 2015/16 budget. However this remains relatively flat year on year from 2017/18 forward.

Growth provision estimates	2015/16	2016/17	2017/18	2018/19	2019/20
New primary schools provisions	£583,309	£797,903	£823,259	£860,745	£972,453
New Secondary schools provisions	£36,868	£391,501	£267,554	£332,571	£144,182
Total DSG growth provision	£620,177	£1,189,403	£1,090,812	£1,193,316	£1,116,635
Year on year growth requirement	£20,177	£569,226	-£98,591	£102,504	-£76,681
Cumulative Growth position	£20,177	£589,403	£490,812	£593,316	£516,635

The above are estimates only, and reflect projected pupil numbers based on historic birth rates and anticipated growth from new housing developments. Figures demonstrate that the majority of the pressure arises from new primary schools. Further analysis of the primary and secondary growth figures presented above can be found in 0.4 & 0.5 below.

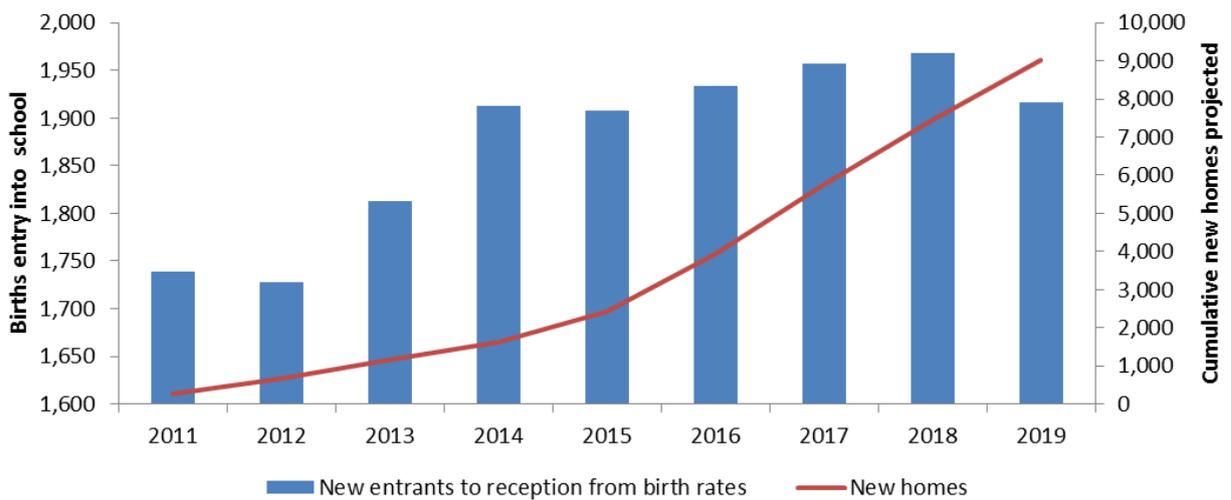
The basis of the provision is on pupil numbers as per the table below;

Expected pupil numbers aged 4-16



The projections show significant increases in pupil numbers over the next 4 years, with growth rates slackening slightly from 2019. This will be monitored closely based on new housing development plans and analysis from recent occupation of new homes.

The tables below shows the number of births in the borough entering schools and the projected housing development for the coming year which is anticipated to bring additional pupil numbers;



The above birth projections show the year in which new births enter reception classes. The data is taken from ONS statistics and amended as highlighted above.

5 New Primary schools

Forecast provision requirements for primary school provision

New & expanding Primary schools	2015/16	2016/17	2017/18	2018/19	2019/20
Windmill	£76,500	£70,500	£64,500	£58,500	£52,500
Wheatfield	£82,500	£76,500	£70,500	£64,500	£58,500
Charvil	£192,711	£178,352	£171,703	£131,189	£92,661
Montague Park	£36,868	£145,963	£91,500	£90,000	£88,500
Spencers wood		£36,868	£145,963	£91,500	£90,000
South Wokingham					£36,868
North Wokingham					£36,868
Arborfield			£36,868	£145,963	£91,500
Arborfield					£36,868
Woodley				£36,868	£145,963
Earley - Expansion		£47,495	£47,495	£47,495	£47,495
Colleton - Expansion	£39,579	£39,579	£39,579	£39,579	£39,579
Hawkedon - Expansion	£83,908	£83,908	£83,908	£83,908	£83,908
Shinfield Infants/ Juniors - Expansion	£47,495	£47,495	£47,495	£47,495	£47,495
Grazeley - Expansion	£23,748	£23,748	£23,748	£23,748	£23,748
Expansion provision		£47,495			
Total Primary growth provision	£583,309	£797,903	£823,259	£860,745	£972,453

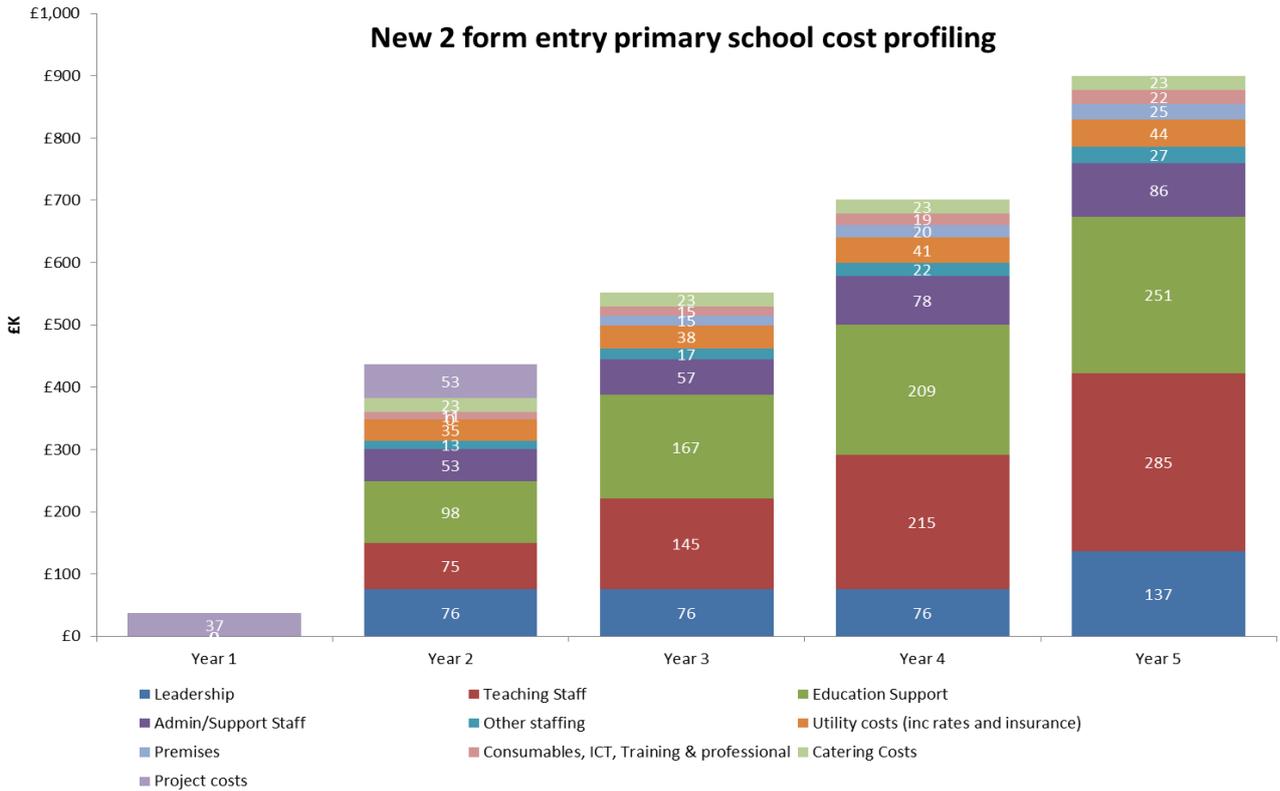
The above table is a breakdown of the numbers included in the financial summary in 0.4 above. The analysis reflects current estimates on new Primary Schools and expansion programmes projected in the Borough over the coming 5 years.

Windmill, Wheatfield and Charvil are the existing new schools which are still operating with empty cohorts and as such still require growth funding to support the diseconomies of scale for growing new schools. The reason for the difference in levels of funding with Charvil is a reflection of Charvil being an all through School, as such it is not in receipt of the fixed lump sum £175k per annum.

The analysis below shows expected staffing requirements over the 5 year period for a new primary school; the numbers of staff are represented as FTE.

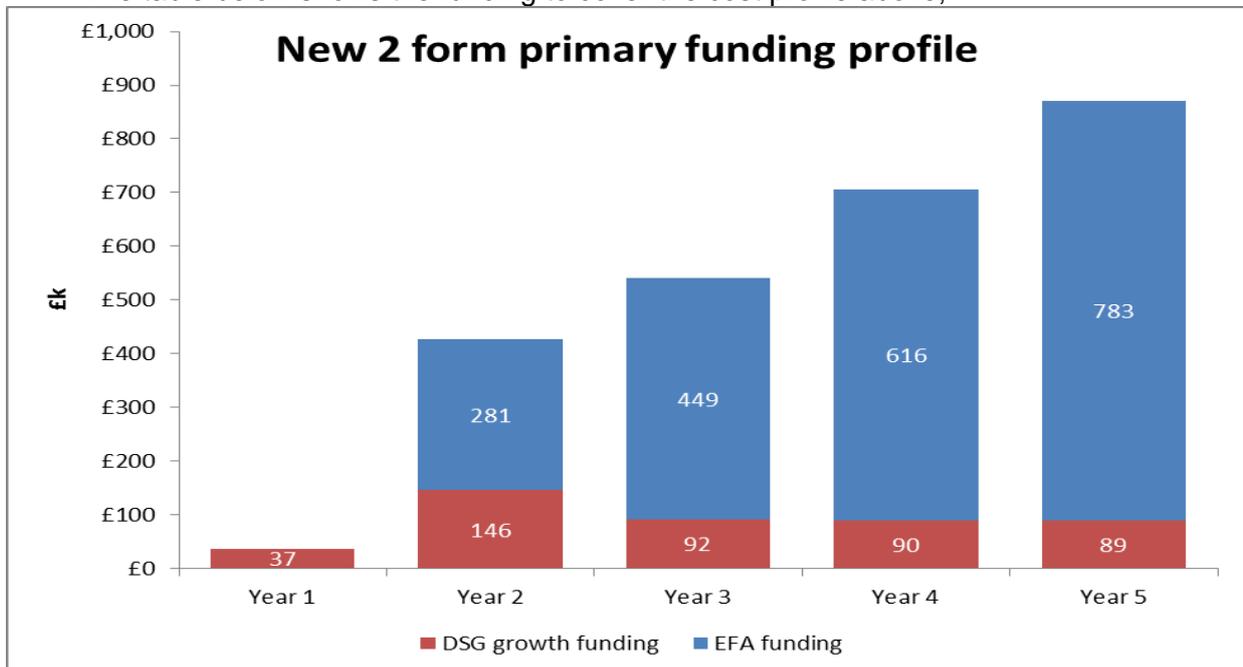
New Primary 2 form entry staffing profile	Year 1	Year 2	Year 3	Year 4	Year 5	Rate £
Leadership Head	0	1	1	1	1	75,950
Leadership Deputy Head	0	0	0	0	1	61,271
Teaching Staff M6	0	1	1	1	1	39,408
Teaching Staff M4	0	1	3	5	7	35,154
Education Support HLTA	0	1	2	2	2	26,884
Education Support TA	0	2	4	6	8	20,930
Education Support ICT	0	1	1	1	1	29,329
Admin/Support Staff Business Manager	0	0.6	0.6	0.8	0.8	34,973
Admin/Support Staff Premises	0	0.6	0.6	0.6	0.6	28,642
Admin/Support Staff Admin Asst	0	0.5	0.5	0.5	0.8	20,930
Admin/Support Staff Lunchtime Super	0	0.2	0.4	0.7	0.8	17,970

The table below shows the estimated cost make up and profile for a new 2 form entry Primary School over the first 5 years;



The above cost profiling depicts the project costs required in the financial years prior to the school being opened. The majority of the costs being staffing costs, but also included are the other running costs of the school. Appendix A provides a more detailed breakdown of the forecast project costs, and Appendix B provides a more detailed analysis of the costs forecast for a Primary School.

The table below shows the funding to cover the cost profile above;



6 New Secondary Schools

Forecast provision requirements for secondary school provision;

New Secondary Schools	2015/16	2016/17	2017/18	2018/19	2019/20
Arborfield	£36,868	£391,501	£267,554	£332,571	£144,182
Total growth provision	£36,868	£391,501	£267,554	£332,571	£144,182

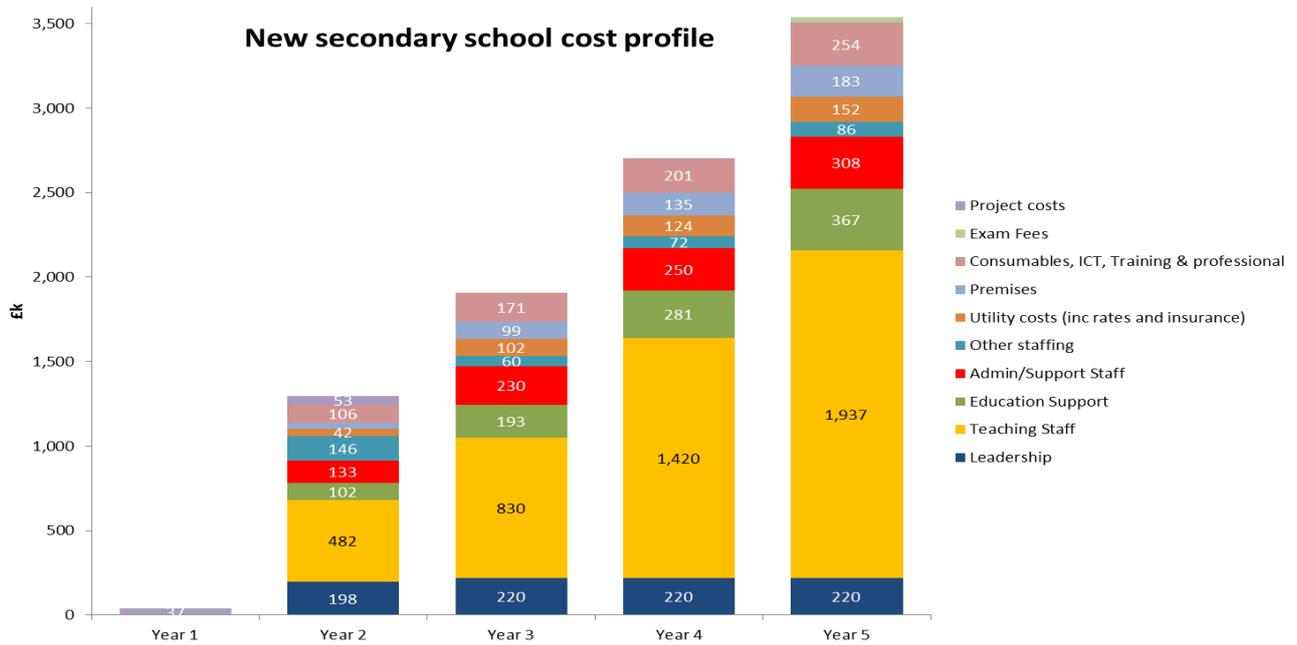
The analysis reflects current estimates for new Secondary Schools projected in the Borough over the coming 5 years.

As with the new Primary Schools, a new Secondary School will operate at diseconomies of scale in the first 5 years until it has full school years intakes, but on a larger scale.

The analysis below shows the assumptions on staffing requirements over the 5 year period; the numbers of staff are represented as FTE;

	Rates	Numbers (FTE)					
		16/17	17/18	18/19	19/20	20/21	21/22
Leadership							
Head	£130,000	1	1	1	1	1	1
Deputy	£90,000	1	1	1	1	1	1
Assistant Head	£80,000		1	1	2	3	3
Total Leadership		2	3	3	4	5	5
Teaching Staff							
Head of subject/ Form tutors	£60,000	6	6	8	8	8	8
Other teaching Staff	£47,000	5	9	18	28	40	52
PE	£47,000	1	1	2	3	4	4
Total teaching staff		12	16	28	39	52	64
Educational Support							
HLT	£25,000	2	2	3	3	4	5
TA	£20,000	4	6	8	10	13	16
Lab Assistant/Technicians	£23,000	1	1	2	4	4	5
Total educational support		7	9	13	17	21	26
Admin Support							
Business Manager	£56,000	1	1	1	1	1	1
Premises + Finance	£29,000	2	2	2	2	2	3
Admins Assts/exam/Librarian	£20,000	2	4	5	7	10	10
Lunchtime Supervisor	£18,000	1	2	2	3	3	3
Total admin support		6	9	10	13	16	17
Total staffing		27	37	54	73	94	112

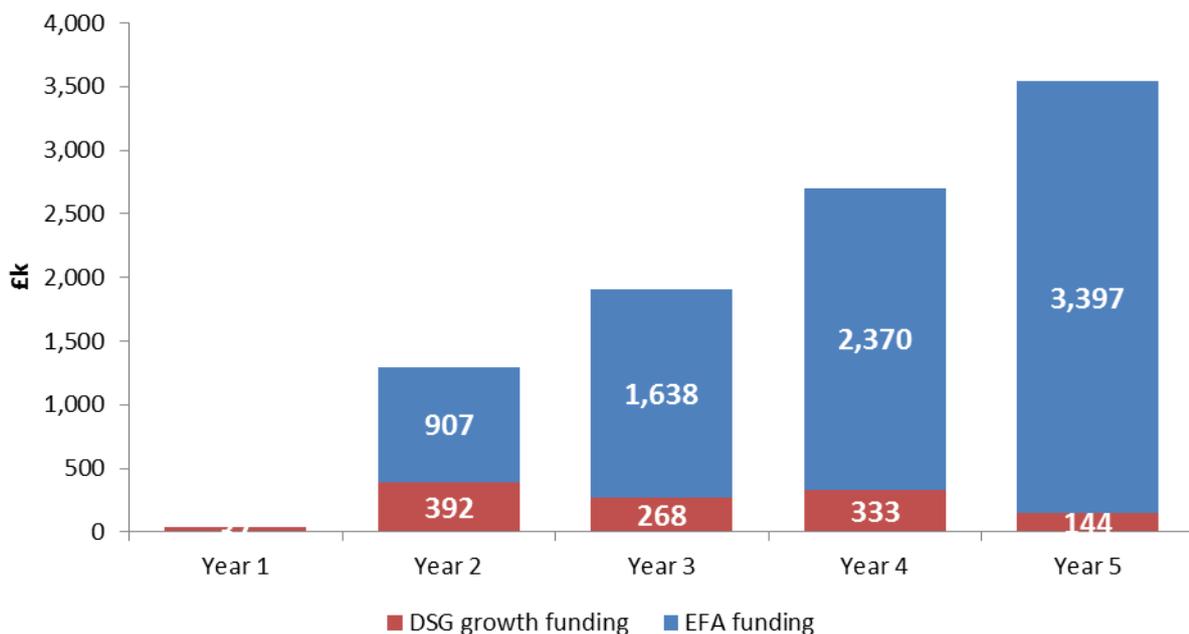
The above staffing structures are a best estimate and rates benchmarked with local schools.



As with the Primary cost profile, the above table shows the projects costs in year 1 prior to the opening of the school, again the bulk of the costs are made up from staffing costs along with the running of the buildings. Appendix A provides a detailed breakdown of the forecast project costs, and Appendix C provides a more detailed analysis of the cost breakdown forecast for a Secondary School.

The table below shows the projected funding profile to cover the cost profile above for a new Secondary School;

Forecast funding profile for 6 form entry Secondary School



7 Appendix A; Forecast project cost anticipated when opening a new school.

	Forecast project cost for new school	Cost prior to 1.4.16	Cost from 1.4.16 - 1.9.16
Project Management Costs			
Staffing costs	72,565	23,993	48,572
Communications and Marketing	25,500	6,375	19,125
Legal Services	12,000	6,000	6,000
HR and Recruitment	500	500	-
Financial Management MI and Advice	4,766	-	4,766
Contingency	-	-	-
	115,331	36,868	78,463
			-
Less £25k conversion grant			25,000
Total Project Management Costs		36,868	53,463

8 Appendix B; detailed forecast costing for a new 2 form entry Primary School showing the expected costs to the DSG from the Post Opening Grant during the years of diseconomies

Projected Income & Expenditure for a 2 form entry Primary School

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Income								
EFA Grant Funding	281,359	448,537	615,715	782,892	950,070	1,117,248	1,284,426	1,352,620
Other Income	0	0	0	0	0	0	0	0
Total Income (£)	281,359	448,537	615,715	782,892	950,070	1,117,248	1,284,426	1,352,620
Payroll Expenditure								
Leadership	75,950	75,950	75,950	137,221	137,221	137,221	137,221	137,221
Teaching Staff	74,563	144,872	215,180	285,489	355,798	426,106	496,415	496,415
Education Support	98,072	166,816	208,676	250,535	292,395	334,255	334,255	334,255
Admin/Support Staff	52,587	56,541	77,954	86,209	93,204	99,483	99,483	99,483
Total Payroll Expenditure	301,173	444,178	577,760	759,455	878,619	997,066	1,067,375	1,067,375
Other Payroll Costs	6,146	9,919	13,550	17,120	18,225	19,319	32,639	45,958
Total Payroll (£)	307,318	454,097	591,310	776,576	896,844	1,016,386	1,100,014	1,113,333
In House Non-Pay Expenditure	74,500	95,800	107,565	119,715	131,176	142,864	154,800	165,810
Planned Outsource Costs	1,000	2,000	3,000	4,000	5,000	6,000	7,000	8,000
Total Non-Pay (£)	75,500	97,800	110,565	123,715	136,176	148,864	161,800	173,810
Total Expenditure	382,818	551,897	701,875	900,290	1,033,020	1,165,250	1,261,814	1,287,144
Operational Surplus/ (Deficit) excl. POG (£)	-101,459	-103,360	-86,161	-117,398	-82,950	-48,001	22,612	65,477
Post Opening Grant (£)	92,500	91,500	90,000	88,500	87,000	85,500	0	0
Annual Surplus/ (Deficit) incl. POG (£)	-8,959	-11,860	3,839	-28,898	4,050	37,499	22,612	65,477
Cumulative Surplus/ (Deficit) (£)	-8,959	-20,820	-16,980	-45,878	-41,828	-4,329	18,283	83,759

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	£	£	£	£	£	£	£	£
In House Non Pay Expenditure								
Rates (EFA funded)	£10,000	£10,500	£11,000	£11,500	£12,000	£12,500	£13,000	£13,500
Other Insurance	£10,000	£10,000	£10,000	£10,000	£10,000	£10,000	£10,000	£10,000
Premises Costs	£0	£15,000	£20,000	£25,000	£30,000	£35,000	£40,000	£45,000
Catering Costs - Caterlink	£22,800	£22,800	£22,800	£22,800	£22,800	£22,800	£22,800	£22,800
Energy Costs	£15,000	£17,100	£19,665	£22,615	£24,876	£27,364	£30,100	£33,110
Educational Supplies	£1,200	£2,400	£3,600	£4,800	£6,000	£7,200	£8,400	£8,400
Admin Supplies, tel, postage, p/copier, paper	£5,000	£5,500	£6,000	£6,500	£7,000	£7,500	£8,000	£8,500
Professional Services 1 (eg: legal)	£500	£500	£500	£500	£500	£500	£500	£500
Professional Services 2 (eg: audit)	£3,000	£3,000	£3,000	£3,000	£3,000	£3,000	£3,000	£3,000
Professional Services 2 (eg: marketing)	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500
ICT maintenance & repairs	£0	£2,000	£4,000	£6,000	£8,000	£10,000	£12,000	£14,000
Indirect Emp Exp	£3,000	£3,000	£3,000	£3,000	£3,000	£3,000	£3,000	£3,000
Responsible Officer	£2,500	£2,500	£2,500	£2,500	£2,500	£2,500	£2,500	£2,500
Total In House Non Pay Expenditure (£)	£74,500	£95,800	£107,565	£119,715	£131,176	£142,864	£154,800	£165,810
Planned Outsource Expenditure								
CPD/Training	£1,000	£2,000	£3,000	£4,000	£5,000	£6,000	£7,000	£8,000
Total Planned Outsource Expenditure (£)	£1,000	£2,000	£3,000	£4,000	£5,000	£6,000	£7,000	£8,000
Total Non Pay and Outsource Expenditure (£)	£75,500	£97,800	£110,565	£123,715	£136,176	£148,864	£161,800	£173,810

9 Appendix C; detailed forecast costing for a new 6 form entry Secondary School showing the expected costs to the DSG from deficits in year, during the years of diseconomies

6 form entry Secondary school forecast budget	16/17	17/18	18/19	19/20
Expenditure	£	£	£	£
Staffing				
Leadership	197,500	220,000	220,000	220,000
Teaching Staff	481,500	830,000	1,420,000	1,937,000
Educational Support	102,000	193,000	281,000	367,000
Admin / support	133,333	230,000	250,000	308,000
Supply Teaching	11,429	19,413	28,138	37,400
Pay progression above inflation	-	5,777	13,887	18,458
Non Payroll Costs				
Rates (EFA funded)	17,500	30,000	30,000	30,000
Other Insurance	11,667	30,000	30,000	30,000
Premises Costs				
Maintenance and Improvements contracts (inc cleaning)	21,000	72,000	108,000	156,000
Set up costs	100,000			
Exam fees	-	-	-	34,500
Energy Costs	12,353	42,353	63,529	91,765
Educational Supplies	24,705.88	49,412	74,118	107,059
Admin Supplies, telephones, postage, p/copier, paper	5,833	20,000	30,000	40,000
Professional Services 1 (eg: legal)	60,000	60,000	45,000	45,000
Professional Services 2 (eg: audit)				
Professional Services 2 (eg: marketing)				
ICT maintenance & repairs	5,833	20,000	25,000	30,000
Indirect Emp Exp	35,000	35,000	30,000	30,000
Hospitality				
Responsible Officer				
SLA's - eg., tree & ditch, payroll, H&S, EWO, FRS17	5,833	10,000	10,000	10,000
Grounds Maintenance	15,750	27,000	27,000	27,000
CPD/Training	3,500	12,000	17,000	22,000
Total Expenditure	1,244,738	1,905,954	2,702,671	3,541,182
Income				
EFA funding	(906,700)	(1,638,400)	(2,370,100)	(3,397,000)
DSG funding	338,038	267,554	332,571	144,182
Payroll %	74%	79%	82%	82%

Note the above DSG funding excludes the project costs required prior to opening. The detail above is the estimated costs for opening a secondary school, and represents a further breakdown of the tables included in 0.6 above.

Matt Marsden
Finance Business Partnering Manager
July 2015

SCHOOLS FORUM

Schools Excess Balances brought forward to 2015-16

Purpose of the Report

- 1 The purpose of this report is to provide details of School Balances carried forward, particularly if there are any that breach the criteria as agreed in the Clawback Mechanism.

Suggested Action

- 2 To ask Schools Forum to note the balances brought forward to Financial Year 2015/16, and to review and agree the criteria to be set for 2016/17, and to request further information should a school meet criteria as specified by Forum.

Background

- 3 It is mandatory for all Local Authorities (LAs) to control surplus balances and, from summer 2008, to operate a clawback mechanism for 2007/8 and subsequent revenue balances.
The Schools Forum agreed to revise WBC's Excess Balances Clawback Mechanism at its meeting in March 2011 and they have since ratified the continued use. The Guidance document at Appendix A explains the agreed current mechanism and has been made available to schools by its inclusion on the website pages of the Schools Finance Team.
- 4 At 31st March 2015 the total amount of revenue balances held by our schools is £5,932,194 see table below for breakdown.

Balance/ (deficit) as at	Total	Secondary Federation	Primary Clusters Funding	Community facilities	Held by Schools	Held by Primary Schools	Held by Secondary Schools	Held by Special/ Nursery
31/03/2012	5,816,728	73,563	156,744	36,250	5,550,171	3,844,037	786,408	701,058
31/03/2013	5,582,061	58,649	28,873	6,352	5,488,188	3,499,920	977,802	626,148
31/03/2014	5,440,170	54,681	(25)	207	5,385,307	3,204,039	1,525,948	796,469
31/03/2015	5,932,194	30,896	0	0	5,901,297	3,604,747	1,483,093	813,458

Please note that for comparative purposes balances held by secondary schools who have converted to academy status in the last four years have been removed.

Supporting Information

- 5 Attached to this report at Appendix B is the schedule of individual school balances as at 31st March 2015. The excess balances have been calculated in accordance with the mechanism outlined in Appendix A and a number of schools have provided supplementary information to substantiate their claims to committed balances mostly being planned capital expenditure.
There are currently no schools holding excess funds which would meet the current criteria to instigate a clawback.

Donna Munday Schools Finance Manager

July 2015

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Appendix A

Guide to the Excessive Balances Control Mechanism 2015-16

The Schools Forum have adopted the policy that schools carrying an excess balance at the end of a financial year will have the excess clawed back during the next financial year; and that these funds should be redistributed to schools providing the school meets the following criteria.

Balances held by each of the schools for the previous three years will be reviewed and, if the balance is increasing year on year, the balance as at 31st March 2015 will be assessed under the Excessive Balances Control Mechanism.

An excess balance is defined as anything over 5% for secondary schools, over 8% for primary schools and over 8% for special schools and PRU's and is calculated using the 2014-15 closing balance and the 2015-16 total expected income as follows:

The amount of the school balance will be identified at year-end but the Wokingham Schools Forum has agreed that certain items may be carried forward over and above the relevant excess percentage as allowances.

Orders placed but goods not received

Balance for purchase of ICT or other high cost equipment

Funds held on behalf of other schools (cluster funding)

Balance related to defined activities (e.g. Clubs) where, and there is evidence that, the school need to maintain those activities in the following year without receipt of corresponding income.

Balance comprising of parental donations for specific activities that have not yet taken place (e.g. Trips)

Amount set aside to support planned capital expenditure identified in the School Development Plan

No other allowances will be made.

The school balance will be adjusted for these allowances before calculating the final "excess".

The income figure used is that shown in the school's 2015-16 budget plan. This will include all delegated revenue budget as well as any money raised by the school (but not including any community facility extended schools income). The LA will review this figure and may request reasons for budgeted increases in income over the previous year.

If the adjusted balance is more than 5% or 8% (as applicable) of the 2015-16 income, the excess amount will be identified as a potential clawback

A simple calculator spreadsheet is available on the School Finance website to enable schools to predict their own situation, but the final calculation will be undertaken by the LA using final figures from the school's 2014-15 CFR return, WiSER and the school's 2015-16 budget plan.

Any clawbacks identified through the procedure described above will be scrutinised by a sub-committee of the Wokingham Schools Forum prior to being made to schools.

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	41155	41107	41108	41202	41109	41110	41111	41112
	Coombes Primary	Crazies Hill Primary	Earley St Peter's Primary	Emmbrook School	Emmbrook Infant	Emmbrook Junior	Farley Hill Primary	Finchampstead Primary
Balance/(deficit) as at 31/3/2012	72,477	30,940	72,720	467,227	115,663	61,845	69,546	30,136
Balance/(deficit) as at 31/3/2013	51,265	33,399	73,529	289,824	49,433	60,380	35,875	28,396
Balance/(deficit) as at 31/3/2014	54,100	42,470	98,480	211,665	92,101	52,365	11,275	22,372
Balance/(deficit) as at 31/3/2015	94,371	34,725	157,518	231,910	68,895	66,361	34,084	39,003
Less any allowances:								
Orders placed but goods not received								
Balance for purchase of ICT or other high cost equipment								
Funds held on behalf of other schools (cluster funding)/children's centre								
Balance related to defined activities (eg. Clubs) where, and there is evidence that, the school need to maintain those activities in the following year without receipt of corresponding income.								
Balance comprising of parental donations for specific activities that have not yet taken place (eg. Trips)								
Amount set aside to support planned capital expenditure identified in the School Development Plan								
adjusted balance/(deficit) 2014-15	94,371	34,725	157,518	231,910	68,895	66,361	34,084	39,003
Income Budget 2015/16 Plan	2,282,382	514,322	1,990,294	5,666,425	862,679	954,945	893,885	547,395
adjusted percentage balance	4.13%	6.75%	7.91%	4.09%	7.99%	6.95%	3.81%	7.13%
5% of 14-15 income	n/a	n/a	n/a	283,321	n/a	n/a	n/a	n/a
8% of 14-15 income	182,591	41,146	159,224	n/a	69,014	76,396	71,511	43,792
Balance carried forward for more than 3 years	N/A	N/A	157,518	N/A	N/A	N/A	N/A	N/A
secondary excess balance to be clawed back	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
special excess balance to be clawed back	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
primary excess balance to be clawed back	N/A	N/A	nil	N/A	N/A	N/A	N/A	N/A

	41120	41121	41122	41153	41125	41126	41127
	Hillside Primary	Keep Hatch Primary	Lamb's Lane Primary	Loddon Primary	Nine Mile Ride Primary	Oaklands Infant	Oaklands Junior
Balance/(deficit) as at 31/3/2012	56,056	87,073	119,872	91,339	53,810	106,008	3,846
Balance/(deficit) as at 31/3/2013	34,484	106,306	142,663	70,392	68,320	137,954	3,018
Balance/(deficit) as at 31/3/2014	85,119	180,699	135,070	68,208	79,195	175,773	9,742
Balance/(deficit) as at 31/3/2015	78,133	223,044	74,890	95,667	41,537	223,708	23,184
Less any allowances: Orders placed but goods not received Balance for purchase of ICT or other high cost equipment Funds held on behalf of other schools (cluster funding)/children's centre Balance related to defined activities (eg. Clubs) where, and there is evidence that, the school need to maintain those activities in the following year without receipt of corresponding income. Balance comprising of parental donations for specific activities that have not yet taken place (eg. Trips) Amount set aside to support planned capital expenditure identified in the School Development Plan						1209	
		126500				170000	
adjusted balance/(deficit) 2014-15	78,133	96,544	74,890	95,667	41,537	52,499	23,184
Income Budget 2015/16 Plan	1,838,529	1,628,443	1,222,300	1,753,688	1,349,484	818,296	975,215
adjusted percentage balance	4.25%	5.93%	6.13%	5.46%	3.08%	6.42%	2.38%
5% of 14-15 income	n/a	n/a	n/a	n/a	n/a	n/a	n/a
8% of 14-15 income	147,082	130,275	97,784	140,295	107,959	65,464	78,017
Balance carried forward for more than 3 years	N/A	223,044	N/A	N/A	N/A	223,708	N/A
secondary excess balance to be clawed back	N/A	N/A	N/A	N/A	N/A	N/A	N/A
special excess balance to be clawed back	N/A	N/A	N/A	N/A	N/A	N/A	N/A
primary excess balance to be clawed back	N/A	nil	N/A	N/A	N/A	nil	N/A

	41150	41151	41152		41210	
	Willow Bank Junior	Winnersh Primary	Woodley Primary	Total individual school balances	secondary federation	primary clusters behaviour funding
Balance/(deficit) as at 31/3/2012	160,903	90,058	50,489	5,677,925	73,563	62,424
Balance/(deficit) as at 31/3/2013	58,489	217,249	77,705	5,492,931	58,649	28,874
Balance/(deficit) as at 31/3/2014	43,788	51,081	84,294	5,526,455	54,681	(25)
Balance/(deficit) as at 31/3/2015	50,133	86,831	51,080	5,901,297	30,896	0
Less any allowances: Orders placed but goods not received Balance for purchase of ICT or other high cost equipment Funds held on behalf of other schools (cluster funding)/children's centre Balance related to defined activities (eg. Clubs) where, and there is evidence that, the school need to maintain those activities in the following year without receipt of corresponding income. Balance comprising of parental donations for specific activities that have not yet taken place (eg. Trips) Amount set aside to support planned capital expenditure identified in the School Development Plan						
adjusted balance/(deficit) 2014-15	50,133	86,831	51,080			
Income Budget 2015/16 Plan	916,358	1,736,266	1,269,315	93,198,805		
adjusted percentage balance	5.47%	5.00%	4.02%			
5% of 14-15 income	n/a	n/a	n/a			
8% of 14-15 income	73,309	138,901	101,545			
Balance carried forward for more than 3 years	N/A	N/A	N/A			
secondary excess balance to be clawed back	N/A	N/A	N/A			
special excess balance to be clawed back	N/A	N/A	N/A			
primary excess balance to be clawed back	N/A	N/A	N/A			

Schools Forum Forward Plan 2015/16

23rd	September	Schools in deficit
		Internal Recharge analysis
		Review EWO's
		Consultation - discussion
		SEN Alert
		Revenue monitoring
		Exceptional place SEN Funding
		Benchmarking

21st	October	Results of Consultations
	Charvil	Revenue Monitoring
	Piggott	Draft Proforma submission
		De-delegation of Budgets
		Draft 2016/17 Budget

30th of October DfE deadline for Draft Proforma submission

18th	November	Primary Strategy
		SEN Alert
		Revenue Monitoring
		Draft 2016/17 Budget

16th	December	Revenue monitoring
		Broadband DC
		Draft 2016/17 Budget
		LAC Funding
		Draft Proforma

20th	January	SEN Alert
	2016	Proforma Submission
		Revenue Monitoring
		Draft 2016/17 Budget

20th January DfE deadline for FINAL Proforma submission

24th	February	Revenue Monitoring
		Draft 2016/17 Budget

16th	March	Revenue Monitoring
		2016/17 Budget
		Revisions to Scheme for Financing Schools

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