

SURREY SCHOOLS BUDGET: OUTTURN STATEMENTS 2016/17

INTRODUCTION AND SUMMARY OF TABLES

The Section 251 outturn tables are statutory tables providing information on Surrey's expenditure on education, children's social care and other services to children and young people in the financial year 2016/17. The format of the tables is largely prescribed by the Secretary of State for Education.

There are two tables:

Table A ("LA level expenditure") shows total funding delegated by the LA to maintained schools (and early years providers) using its local schools funding formula, total funding allocated to schools outside the funding formula and total expenditure by the LA on centrally managed education services. This largely corresponds to lines 1.0.1-2.4.1 of the LA table in the budget statement. However, note that line 1.0.1 of the outturn table (individual school budgets) excludes funding allocated to academies, whereas the corresponding line in the budget statement includes funding allocated to academies.

Table A1 shows expenditure on children's social care, early years (apart from the free entitlement to early education and childcare for two and three year olds) and other services for young people. This corresponds to lines 3.0.1-3.6.1 of the LA table in the budget statement.

The outturn statements no longer list budgets and closing balances for individual schools. These are now published separately by the DfE and a link to the most recent information is available at <http://www.surreycc.gov.uk/schools-and-learning/teachers-and->

[education-staff/schools-and-learning-finance/school-budgets/useful-dfeefa-school-finance-sites](http://www.surreycc.gov.uk/schools-and-learning/teachers-and-education-staff/schools-and-learning-finance/school-budgets/useful-dfeefa-school-finance-sites).

The Schools Budget and the "Other education and community" budget

Expenditure on Education is divided into a Schools Budget and an "other education and community" budget. The Schools Budget is largely funded directly by DfE through the Dedicated Schools Grant (DSG), which can only be spent for this purpose. The Schools Budget covers schools' delegated budgets, funding of the free early years education entitlement for three and four year olds in the maintained, academy, private, voluntary and independent sectors (and also for eligible two year olds), funding of educational provision outside Surrey schools (eg pupil referral units, non maintained and independent special schools, education out of school and post 16s with special educational needs or disabilities in colleges and specialist post 16 education providers), additional provision for pupils with special educational needs in Surrey schools, and certain other specified support services delivered to and in schools.

The "other education and community" budget comprises various support services which, in the view of DfE, are LA responsibilities which could not easily be delegated to maintained schools, although some are delegated to academies. The largest single component of this budget is home to school transport. Table A groups Education services into those within the Schools Budget and those outside it.

Table A “LA table” - Total expenditure on education services by Surrey County Council

This table sets out the total funding allocated by Surrey in 2016/17 to maintained schools and to all early years providers, and also Surrey’s total expenditure for the 2016/17 financial year on

- * education for pupils (and for 16-25 year olds) with special educational needs and disabilities;
- * a range of other services supporting schools, such as admissions;
- * other education services, such as school improvement, SEND administration and assessment, and home to school transport.

The purposes for which the council can spend funds directly on education are specified by regulations. If expenditure cannot be allocated to one of the categories specified in the regulations then the council must delegate funding for that expenditure to individual schools. Note that pupil premium grant is excluded from the tables. This is allocated to individual schools as directed by DfE and the funding received by the LA matches the funding allocated to individual schools..

1 Schools Budget:

1.0.1 Individual Schools’ Budget The amount delegated to schools (the Individual Schools Budget or ISB), plus funding allocations for maintained/academy nursery classes and for private providers of the free entitlement to education and childcare for two, three and four year olds. The outturn excludes funding for academies (except nursery classes). For special schools and pupil referral units the ISB includes place funding only. The ISB also excludes certain categories of high need pupil funding in primary and secondary schools.

Budgets for maintained nursery schools and nursery classes appear in the early years column, together with those for private nursery providers. The amount deducted from Surrey’s Schools Budget to fund academies in 2016/17 (and thus excluded from line 1.0.1) was £248.585m (plus £5.755m for high needs places in SEN centres and special academies).

1.1.- De-delegated services
1.1.9

Services or purposes for which the Schools Forum has agreed that funding may be deducted from the budgets of maintained primary and secondary schools and held centrally. This includes the school specific contingency for the primary sector, which was set aside to fund transitional protection for the loss of flat rate funding for merged schools, and significant unforeseeable expenditure which it would be unreasonable to expect a governing body to meet from their school’s budget share.

1.2 High needs budgets

De-delegation is not allowed for nursery schools, special schools or pupil referral units. These include “top up” funding for high cost pupils (those costing more than £10,000) in maintained special schools, SEN centres, academies, non maintained special schools, pupil referral units and with other providers, and the full cost of placements in independent special schools. High needs budgets also now include costs of provision for post 16 learners with special educational needs in

		colleges and with specialist providers. Also includes SEN support services (peripatetic physical and sensory, learning and language teachers, school based SEN outreach staff, speech and language and other therapy) and early years SEN staff supporting private providers. It also includes additional funding for schools with high incidence of SEN but relatively low additional need funding, to help them to fund the first £6,000 per high need pupil.			bulge classes in primary schools. Any underspend on the growth fund must be distributed to all schools in the following year through the funding formula or carried forward for the same purpose. The falling rolls fund provides additional funding for good or outstanding small secondary schools facing a temporary fall in rolls.
1.3	<i>Central expenditure on children under five</i>	Actual expenditure shown here was centrally managed expenditure to support providers of the free entitlement for two, three and four year olds. The budget shown here included a contingency to allocate to individual providers where pupil numbers increased during the year compared to the estimates on which their initial funding allocations were based. The actual allocations to providers are included in line 1.0.1 which is why the outturn for line 1.3.1 is so much less than the budget.	1.7	<i>Sources of funding for Schools Budget</i>	Shows Dedicated Schools Grant, Education Funding Agency (EFA) post 16 grant and LA (Council Tax) funding). This also shows unspent DSG brought forward from previous years (£6.568m).
			1.8		<i>Unspent DSG carried forward to 2017/18</i> (£3.478m).
			2	Other Education and Community budgets	
			2.0-2.3		This section covers the LA's responsibilities for special educational needs assessment and support, home to school transport, welfare/attendance, music, outdoor education, school improvement, asset management, planning provision of school places, adult and community learning, statutory/regulatory duties, premature retirement costs, and insurance for local authority education functions other than schools.
1.4	<i>Other centrally managed Schools Budget services</i>	Includes combined services, school admissions, the growth fund and the falling rolls fund. Also includes cost of copyright and related licences which are purchased centrally by the DfE for schools and then charged to the LA. The growth fund provided additional funding for schools adding additional classes from September 2016, for pre opening costs of new schools, and for protected vacancies in			
					Table A1 Children and Young People's Expenditure (including Early Years, children's social care, and youth services)
			3.0.1-3.0.5	Early Years and Sure Start Children's Centres	The cost of services for under fives provided outside schools, other than the free entitlement to 15 hrs free

education/childcare, but including the cost of children's centres, whether or not in schools.

3.1.1- Children's social care

3.4.5 Includes services for looked after children, child protection services, family support services, asylum seekers, adoption services, other children and families services, commissioning and social work.

3.5.1- Services for young people

3.6.1 Includes the youth service, information, advice and guidance services, and Youth Justice.

THE CENTRALLY MANAGED SCHOOLS BUDGET IN TABLE A

The table below shows the main Education services and budgets which are included in each category within the Schools Budget in Table A.

Note that expenditure attributable to nursery classes in infant and primary schools appears within the Early Years column not in the "primary" column.

1.1	De-delegated funding (maintained primary and secondary schools only: agreed by Schools Forum)
1.1.1	<i>School specific contingencies (primary only)</i> There were no allocations to primary schools from the de-delegated contingency in 2016/17 There was no contingency for the secondary sector because in 2013/14 the secondary sector decided not to support de-delegation and that decision has not been reviewed in later years.

1.1.2	<i>Behaviour support</i> Peripatetic behaviour support teachers and part of the cost of the area exclusion/reintegration support teams (primary sector only: funding is fully delegated to secondary).
1.1.3	<i>Underperforming ethnic groups and bilingual learners</i> No expenditure is shown here because the cost of services provided by the Race Equality Minority Achievement service for children with English as an additional language was fully traded from 1 April 2016. 2016. Excludes Traveller support provided by that service, which is shown in 2.0.4).
1.1.4	<i>Cost of checking pupils' eligibility for free school meals</i>
1.1.7	<i>Licences and subscriptions</i> Cost of schools administration software licences
1.1.8	<i>Staff costs: supply cover (other than teacher association/trade union facility time)</i> Supply cover for public duties and for suspensions etc. No funding is held centrally in Surrey for cost of covering sickness absences
1.1.9	<i>Staff costs: supply cover (other than teacher association/trade union facility time)</i> Supply cover for centrally funded teacher association/ trade union representation

1.2	High cost pupils
1.2.1	<i>Top up funding: maintained providers</i> Top up funding for high needs pupils in maintained mainstream schools (individually statemented pupil support budget), top ups for maintained mainstream SEN centres, special schools and pupil referral units. Includes top up funding for Surrey pupils in schools maintained by other LAs, net of expected income from other LAs where their pupils are educated in Surrey maintained schools.
1.2.2	<i>Top up funding- academies, free schools, further education and sixth form colleges</i> Top up funding paid to these providers for high needs pupils. Includes learners aged 16-25 with SEN
1.2.3	<i>Top up funding: independent providers</i> Top up funding for high needs pupils and post 16 learners paid to non maintained special schools, and the full cost of high need pupils in independent special schools. Includes independent post 16 specialist providers (Part of SEND Agency budget)
1.2.4.	<i>Additional high needs targeted funding</i> Additional funding was allocated to primary schools where the cost of meeting the first £6,000 of additional support costs per high needs pupil exceeded 68.4% of their "level 2" notional SEN budgets, or secondary schools where the cost of meeting the first £6,000 of additional support costs for high need pupils exceeded 100% of their "level 2" notional SEN budgets

1.2.5	<i>SEN support services</i> Includes physical and sensory support, physical and sensory ICT equipment, learning and language support and Portage. Also includes speech and language therapy, occupational and nursing therapy where required as educational provision in a child's statement, outreach staff attached to special schools and SEN centres, designated nurture groups in primary schools, and Early Years SEN staff. Where necessary, costs are apportioned across sectors based on estimated historic staff deployment or usage.
1.2.6	<i>Hospital tuition</i> Includes the costs of the Access to Education-Medical service which provides education to pupils unable to attend school for medical reasons. Excludes the two hospital schools because they are registered as PRUs (and thus are shown in 1.0.1). Includes cost of other hospital education provision for Surrey pupils (eg by independent providers).
1.2.7	<i>Other AP provision (alternative provision)</i> Includes access to education (non medical needs), Active Learning Programme, Surrey Online school, funding given to 14-19 networks for alternative learning projects, education in residential children's homes, and support for pupils educated at home by parental choice.
1.2.8	<i>Support for inclusion</i> Some of the work of the Early Years and Childcare service in supporting nursery education providers is shown here.

1.2.9	<i>Special schools and PRUs in financial difficulty</i> Additional funding to assist three special schools facing financial challenges associated with reorganisations..
1.2.10	<i>PFI and BSF costs : special schools and PRUs</i> No costs incurred in Surrey
1.2.11	<i>Direct payments (SEN and disability)</i> No costs incurred within Schools Budget
1.2.12	<i>Carbon reduction commitment payments for PRUs</i> Costs not separately identified:
1.3	Central expenditure on children under five
1.3.1	Funding for capacity building for two year old provision and some centrally managed support services for all providers of free entitlement education for 2, 3 and 4 year olds.
1.4	Other school related support services in the Schools Budget
1.4.1	<i>Contribution to combined budgets</i> (where approved by Schools Forum). Devolved funding for extended schools confederations (£0.7m): primary sector only: (funding is delegated to other sectors); Additional curriculum and management support for schools-apportioned across sectors based on pupil numbers (although in fact varied according to need). LA contributions to these activities are included in lines 2.0.4 and 2.0.6.
1.4.2	<i>School admissions</i> Admissions functions of the Admissions and Transport team. Cost of admissions appeals for community schools. Apportioned based on pupil numbers. Also includes devolved allocations of £131,000 to Aided and

	Foundation schools and to academies to fund admissions appeals.
1.4.3	<i>Servicing of Schools Forum</i> Expenses of Schools Forum (including costs of meetings administration but excluding cost of research). Apportioned across sectors based on fte pupil numbers.
1.4.4	<i>Termination of employment costs (where approved by the Schools Forum as generating a saving)</i> This category has not been used in Surrey.
1.4.5	<i>"Falling rolls" fund</i> Additional funding allocated to good and outstanding secondary schools facing a short term fall in pupil numbers, where the school capacity is required within the next three years as a result of increases in pupil numbers locally.
1.4.6	<i>Revenue funded capital expenditure</i> This category has not been used in Surrey.
1.4.7	<i>Prudential borrowing costs</i> Costs of borrowing to fund capital expenditure which generates sufficient revenue savings to offset the cost of borrowing. This category has never been used in Surrey.
1.4.8	<i>Fees to independent schools for pupils without SEN</i> (typically for pupils with special abilities in music and performing arts)-no expenditure in Surrey.
1.4.9	<i>Equal pay/back pay (allocations to schools to cover retrospective claims)</i> This category has never been used in Surrey.

1.4.10	<i>Pupil growth/infant class sizes</i> The growth fund was used to provide part year funding for additional classes opening in September 2016 where schools increased their PAN or were asked to admit bulge classes (classes above PAN) or are extending their age range (eg infant to primary). It also funded other agreed costs for expanding schools, and protected vacancies in additional classes in primary schools.
1.4.11	<i>SEN transport (where cost of transport is offset by savings from ceasing out county placement)</i> This category has never been used in Surrey.
1.4.12	<i>Exceptions agreed by Secretary of State</i> There are no such exceptions in Surrey.
1.4.13	<i>Other items</i> Costs of copyright licences, music publishing licences, CCLI licences, Motion Picture Licensing Company licences, public video screening licences, PPL and PRS licences.. These are now purchased centrally by DfE on behalf of schools and recharged to LAs.
1.5	Expenditure supported by other specific grants (ie not DSG) This includes universal infant free meals grant, PE and sport premium and year 7 catch up premium. All of these are grants for which DfE calculates individual school level allocations. The LA receives the total of the school level allocations for its maintained schools and is required to pass on those allocations to the specified schools. It excludes pupil premium grant..

1.7	Sources of funding of the Schools Budget Shows how much of the Schools Budget is funded by EFA post 16 grant, by previous years' DSG and by council resources
1.8.	Unspent DSG carried forward to later years

THE "OTHER EDUCATION AND COMMUNITY" BUDGET IN THE LA TABLE

CENTRAL SUPPORT SERVICES (2.0.2)

This is the cost of the music and performing arts service, excluding the sum funded by grants, which is shown in 2.3.1.

EDUCATION WELFARE (2.0.3)

Includes the cost of the child employment service.

SCHOOL IMPROVEMENT EXPENDITURE (2.0.4)

Expenditure on school improvement includes curriculum and staff development work provided by Babcock 4S (including a share of the management costs of the Babcock4S contract), financial and advisory support for schools in difficulties, work by the Racial Equality and Minority Achievement service supporting travellers, and a range of SEN related development and training activities.

ASSET MANAGEMENT (2.0.5)

Cost of capital programme planning and management.

STATUTORY/REGULATORY DUTIES (2.0.6)

This comprises a number of central LA responsibilities defined by legislation, including the overall management of the service, whole service planning, performance

management functions, financial management and administration (including audit and non schools payroll, and monitoring the financial soundness of maintained schools), legal services, provision of statutory information, and health and safety. It also includes the cost of the administration of pupil exclusions.

OTHER SPECIFIC GRANTS (2.3.1)

The expenditure and income shown here relates to the Music grant and to grants in support of pension costs of former FE staff.

TABLE A1: NOTES ON SIGNIFICANT CATEGORIES

EARLY YEARS AND CHILDREN'S CENTRES

This covers funding for under fives, including children's centres, but excluding the free entitlement to 15 hrs/week of early education and childcare (included in s1.0.1/1.3.1). It also includes Home Start services as they are now delivered through children's centres (previously shown under universal family support). It does not include support for childcare for children over five, which appears within line 3.4.5 (universal family support).

OTHER CHILDREN AND FAMILIES SERVICES (line 3.2.1)

The largest part of this is the "care" share of jointly funded residential school placements for children requiring such placements but who are not looked after children. Also includes part of the cost of youth homelessness prevention work.

TARGETED FAMILY SUPPORT SERVICES (line 3.4.4)

Includes part of the cost of the early help hubs, the cost of the troubled families programme (although most of this is grant funded), LA share of costs of the CAMHS service, non Education share of the cost of the HOPE service, parenting education, family group conferences and various care packages for children who are not looked after.

UNIVERSAL FAMILY SUPPORT SERVICES (line 3.4.5)

This includes 58% of the cost of the new early help hubs, the cost of support by the Early Years and Childcare service for childcare for over fives, and support for home school link workers employed by schools (but not the cost of those staff, which is funded by schools or confederations).

SERVICES FOR YOUNG PEOPLE (lines 3.5.1-3.5.2)

Includes the youth service and information, support and guidance. This no longer includes the cost of the post 16 SEND assessment team (now included in SEN assessment and administration > 2.1.2, £1.0m)

NOTES AND BACKGROUND

Legislation

The categories of expenditure in the tables were defined by DfE. Their full definitions can be found in the Budget Guidance on the DfE Section 251 web site (find at <https://www.gov.uk/government/publications/section-251-outturn-2016-to-2017-guidance-for-local-authorities>). The categories of expenditure which an LA is allowed to retain centrally (i.e. not to delegate) are specified in the School and Early Years Finance (England) Regulations 2015, (2015 SI 2033). This can be found at www.legislation.gov.uk/ukSI.

Overheads

Most central support services such as finance, human resources, legal services, ICT and property management are now provided by the Business Services Directorate. The expenditure shown in the tables include the share of such costs attributable to Education services and to other children's services.

Depreciation and FRS17 adjustments

Expenditure shown here does not include depreciation or other capital charges on land, buildings and equipment, nor does it include IAS19 adjustments where the cost of pensions differs from the employer and employee contributions set aside in the year.

Basis of apportionment of costs to Early years, nursery, primary, secondary and special schools

Where the cost of services cannot be directly attributed to specific sectors, a range of apportionment methods has been used, including ISB, pupil numbers, number of statemented/SEN pupils, floor area, and staff time estimates. It should be noted that the distribution of resources between sectors and age groups can vary from year to year and that for some services it is fairly arbitrary because by their nature they work across services on a demand led basis.

GOVERNMENT GRANTS INCLUDED IN TABLES A AND A1

The government grants included in the table are made up as follows:

	£m	Lines in tables
Universal infant free meals	-10.883	Table A 1.5.1
Year 7 catch up	-0.264	Table A 1.5.1
Primary PE and sport premium	-2.242	Table A 1.5.1
Music grant	-1.390	Table A 2.3.1
FE pensions	-0.017	Table A 2.3.1
	-	Table A1 lines 3.1.2 and 3.1.5
Asylum seekers	-4.224	Table A1 line 3.1.3
Adoption reform grant	-0.114	Table A1 line 3.4.4
Troubled families	-1.741	Table A1 line 3,5,1
EFA preparation for employment	-0.028	
	<u>-20.903</u>	

SEND implementation grant (£0.720m) is not a ringfenced grant and thus the grant income is not included in the table. The expenditure is largely shown in line 2.1.2.