

# Item 4 – MTFP/DSG Headroom

---

Keith Abbott, Director of School Resources and  
Simon Pleace, Revenue Finance Manager



# MTFP

- Indicative cash limits for E&YP Directorate set for the next 3 years

	Net Cash Limit for E&YP	% Reduction from current year
Current Year	£84.4m	
2015-16	£70.1m	16.9%
2016-17	£63.4m	24.9%
2017-18	£62.2m	26.3%

# DSG Pressures

- For 2015-16, school budgets face the following pressures:
  - 5<sup>th</sup> consecutive year of flat cash settlement
  - Increase in employers superannuation contribution from 14.1% to 16.48% from Sept 15
  - Annual increases to staff pay
  - Contractual and unavoidable price increases on some non-pay budgets

# DSG Pressures & Savings

	<b>2015-16</b>
Planned growth in Special Schools	1.8m
Planned growth in Resource provision	0.5m
PFI indexation	0.3m
Planned net reduction in INMSS	-1.7m

# DSG Headroom

- The LA is anticipating having some headroom arising from:
  - Continued growth in primary aged pupils
  - -1.5% MFG
  - Reduction of £1m in Growth fund
- Impossible to predict with accuracy, but likely to have at least £3m available BUT . . .

# DSG Headroom

- EFA will not confirm outcome of our October High Needs application until late December
- Our application had growth of c.500 new High Needs places for 2015-16
- No clues from EFA whether this will be funded or not

# DSG Headroom

- LA is looking for an agreement in principle from the Forum on what it should do with any headroom

# DSG Headroom

- LA proposal
  - Fund PFI indexation (£300k)
  - Fund shortfall (if any) in the high needs settlement
  - Traditional policy has been to target any headroom to primary schools, but in light of 5 years of flat cash . . .
  - Distribute any remaining balance to all phases of schools, AP provision and EY settings by a general equal % uplift



# DSG Headroom

- Current Split

Early Years	6.4%
Primary	44.8%
Secondary	39.0%
Special	6.6%
Resource Provision	1.5%
PRUs	1.6%
	100.0%

- For every £1m . . .
  - Primary AWPUP +£4/pupil
  - Secondary AWPUP +£5/pupil
  - 3 & 4 year old +£0.004/hour