

## SCHOOL FORUM

## Item 5

Members of the School Forum are asked to note the contents of this report for information

**Key points and dates for schools for budget planning****Basis of allocations**

In line with the budget settlement to the authority, which continues with the delivery of a Minimum Funding Guarantee (MFG), set for the next three years at 2.1%, the core elements of the local funding formula for the allocation of budget shares to schools will increase at the same level. This increase reflects the DCSF view of average cost pressures, both pay and non-pay, schools will need to meet. However, in some areas, particularly pay and some utilities, indications are that increases will be above 2.1% and the impact of these higher increases should be a key factor for schools when undertaking their budget plans.

It is important to note that in setting the increase to LA's at 2.1% the DCSF are reflecting the need for schools to achieve substantial efficiency gains of 1% each year for the next three years. While the overall increase to Walsall is around 4%, much of which will be passed onto schools, the additional funding over the core increase of 2.1% must be targeted to meet ministerial priorities of deprivation and personalised learning, again a key factor school should take account when planning budgets over the next three years.

**Notification of Budget Shares**

Schools will be notified of their individual **budget share allocation for 2008/2009 by 31 March 2008**, and budget shares **for 2009/10 and 2010/11 will notified by 23 May 2008**. It is now a statutory requirement that governors set budget plans across all years of a multi year cycle and provide the LA with their **plans by 1 June**, however as schools will not receive their allocations for the 2<sup>nd</sup> and 3<sup>rd</sup> funding period until the end of May 2008, the date by which governors must submit their plans for these periods has been put back to **18<sup>th</sup> July 2008**. The timing of relevant governors meetings should take account of these key dates.