

**DERBYSHIRE COUNTY COUNCIL**

**CABINET**

**15 April 2014**

**Report of the Strategic Director for Children & Younger Adults**

**CREATION OF EARMARKED RESERVES – (Children and Young People)**

**1 Purpose of the Report**

To seek approval to transfer unused allocated grant intended for the implementation of Support and Aspiration to an earmarked reserve for use for this purpose in 2014/15.

To seek approval to set aside resources to cover the cost of the demolition of the former Tibshelf school.

To seek approval to transfer the balance of the 2013/14 allocation for schools causing concern to an earmarked reserve for use in 2014/15.

**2. Information and Analysis**

**Support and Aspiration**

The Government has proposed major reforms to the special educational needs system within the Children and Families Bill Part 3. Subject to Parliamentary approval the new legislation is scheduled to be in place from September 2014. In 2013/14, a grant of £75,000 was made to the Authority by the Department for Education (DfE) towards the implementation costs of these changes. A further £845,000 has been allocated for 2014/15 and it is intended that a report will be prepared for Cabinet early in 2014/15 seeking approval for the implementation plans.

The changes required are still being developed and, to date, little expenditure has been incurred on implementation. The department will have three years to implement the changes from September 2014 and approval is requested to transfer the unspent grant funding of £75,000 into an earmarked reserve for use in the period April 2014 to September 2017 to contribute to the cost of the implementation and transition.

**Demolition of former Tibshelf School**

On 11 October 2011, Cabinet agreed the replacement of Tibshelf Community School on a new site. At the time the estimated cost was £14.5m and was included as part of the Capital Programme. The new school opened in November 2013 and the old site is awaiting demolition of the former school buildings prior to disposal.

At the time of the original approval, it was envisaged that the cost of demolition of the former school buildings could be charged to the Capital Programme. Updated advice from Chartered Institute of Public Finance Accountants (CIPFA) indicates that where demolition costs are incurred and no new building is being erected on the same site, the costs of demolition may not be capitalised.

The demolition of the former Tibshelf Community School is expected to cost around £250k. This cost will be incurred by the CAYA revenue budget which does not have resources allocated to it to cover the cost.

Approval is therefore requested to establish an earmarked reserve of £250,000 to meet the anticipated demolition costs associated with Tibshelf School. These funds will be allocated from the CAYA 2013/14 revenue budget.

### Schools Causing Concern

The most recent report to Cabinet Member identified 9 schools that are in Ofsted categories with a further 13 that were causing concern to the Authority. Support to these schools is commissioned and/or provided by the Authority and the Schools Forum has allocated funding within the Dedicated Schools Grant to support this work supplemented by the Authority's own budget.

In order to achieve budget reductions, the Authority is exploring moving towards more self-sufficient improvement models and use of increased school-to-school support.

Approval is requested to transfer the underspend of £300k from the 2013/14 funds allocated to the Authority from the Dedicated Schools Grant to an earmarked reserve to continue supporting schools during 2014/15.

### **3. Other Considerations**

In preparing this report the relevance of the following factors has been considered: prevention of crime & disorder, equality of opportunity, human resources, legal & human rights, environmental, financial, health, property and transport considerations.

### **4. Key Decision?**

No.

### **5. Call-in Is it necessary to waive the call-in period in respect of the decisions being proposed within this report?**

No

6. **Background Papers** None.

7. **Officers' Recommendations**

That Cabinet approves the creation of the three earmarked reserves described within this report.

**IAN THOMAS**  
**Strategic Director for Children & Younger Adults**