

West Berkshire School's Forum	
Title of Report:	DSG Monitoring 2014-15, Month 9
Date of Meeting:	19th January 2015
Contact Officer(s)	Ian Pearson, Shannon Coleman-Slaughter
For Discussion	

1. Background

- 1.1 The main source of funding for schools is the Dedicated Schools Grant (DSG). It is a ring fenced specific grant and can only be used on school/pupil activity.
- 1.2 The grant is split into three funding blocks. The schools block is calculated by multiplying a guaranteed unit of funding per pupil (set by the DfE) by the actual pupil numbers from the October census count (so October 2013 census for 2014/15 budget); the early years block is calculated by multiplying a guaranteed unit of funding 5/12 from the January 2013 early years census, and 7/12 from the January 2014 early years census; the high needs block is a fixed sum based on the actual budget set by the Council in 2012/13.
- 1.3 The Local Authority is required to use national formula factors but applies local rates to distribute funding to schools.
- 1.4 Centrally Retained Overspends, unless funded from outside the DSG, are carried forward and top sliced from the following year's DSG allocation. Underspends must be carried forward to support the school's budget in future years.
- 1.5 The Authority and Schools' Forum are responsible for ensuring that the DSG is deployed correctly, and monitoring of spend against the DSG needs to take place regularly to enable decision making on overspends/underspends and to inform future year budget requirements.

2. Monitoring Position as at Month 9 (2014-15)

- 2.1 At month 9 the total DSG year end forecast underspend position is £193k across all three funding blocks. The previous reporting period for the DSG was month 7. At month 7 the forecast underspend was £212k.

Figure 1: Financial Position as at Month 9 (December 2014). A further analysis per cost centre is shown in Appendix A:

	Total Budget £	Actual Spend Forecast Month 9 £	Month 9 Forecast Outturn Variance £	Month 7 Forecast Outturn Variance £
Schools Block (inc ISB)	64,302,380	64,301,380	-1,000	8,000
Early Years Block	7,828,920	7,828,920	0	0
High Needs Block	16,496,140	16,303,640	-192,500	-220,740
Total Net Expenditure	88,627,440	88,433,940	-193,500	-212,740
Support Service Recharges	720,890	720,890	0	0
Total Expenditure	89,348,330	89,154,830	-193,500	-212,740
DSG Grant	-89,348,330	-89,348,330	0	0
Net Position	0	-193,500	-193,500	-212,740

2.2 The Schools Block inclusive of the ISB is forecasting a year end under spend position of a £1k. At month 7 the block was forecasting a £8k overspend at year end. The £9k change is the result of increased savings on supplies and services being realised within the Servicing of Schools Forums and Admissions services. Within the block £16k of forecast savings (£9k Servicing of School's Forum and £7k Admissions), is offsetting the pressure of £15k forecast against Behaviour Support Services. The Behaviours Support Service pressure is the result of lower than anticipated income being generated from academies buying back into the service.

2.3 The Early Years Block as at month 7 continues to forecast a year end position of on line.

2.4 The High Needs Block is forecasting a year end underspend position of £192k. A £212k year end underspend was forecast at month 7. The main areas of individual pressure within the high needs block forecasting pressures in excess of £100k are:

- Special Schools (top ups) £104k pressure
- Academy Schools (top ups) £125k pressure
- Pupil Referral Units (top ups) £400k pressure

2.5 The main single area of pressure within the High Needs Block is the pressure forecast against the Pupil Referral Unit top up cost centre (£400k).

2.6 Within the High Needs Block the top up cost centres (including Pupil Referral Units), are forecasting a net year end under spend position of a £190k. This is a net forecast between a total top up pressure of £539k offset by a £729k underspend on the contingency budget. The top up cost centres with forecast pressures in excess of £50k are:

- Academy Schools (top Ups) £125k pressure
- Special Schools (top ups) £104k pressure
- Non West Berkshire Special Schools £50k pressure
- Pupil Referral Units (top Ups) £400k pressure

2.7 Non top up cost centres forecasting pressures within the High Needs Block are:

- Home Tuition £47k pressure as a result in the increased number of home tutors to support children.

2.8 £49k has been vired from the High Needs Contingency budget into the SEN Commissioned Provision budget to cover in year contractual increases. This virement was agreed at the School's Forum 14.7.2014.

Appendices

Appendix A – DSG 2014-15 Budget Monitoring Report as at 31st December 2014

