

West Berkshire School's Forum

Title of Report:	DSG Outturn 2014-15 and Carry Forward to 2015/16
Date of Meeting:	15th June 2015
Contact Officer(s)	Ian Pearson, Shannon Coleman-Slaughter
For Decision	

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 Local Authority is required to use national formula factors but applies local rates to distribute funding to schools.
- 1.3 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.
- 1.4 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. Year End Position Summary

	Original Budget	Revised Budget	Year End Expenditure	(Under) / Over spend	Month Ten Forecast (under) / over spend
Schools Block	64,186,700	64,136,270	63,987,779	-148,491	-2,450
Early Years Block	7,925,250	7,828,920	7,222,828	-606,092	-678,390
High Needs Block	17,180,500	16,503,460	16,158,516	-344,944	-294,010
Net Expenditure	89,292,450	88,468,650	87,369,123	-1,099,527	-974,850
SSRs	720,890	720,890	720,890	0	0
Total Expenditure	90,013,340	89,189,540	88,090,013	-1,099,527	-974,850
Grant	-90,013,340	-89,189,540	-88,090,013	1,099,527	974,850
(under) / Over spend	0	0	0	0	0
Change on Month Ten Expenditure Forecast (increase) / decrease					-124,677

2.1 The final year end position is an under spend of £1.09million, this is a £124k increase on the under spend forecast at Month Ten previously reported to School's Forum. Each funding block ended the year in an under spend position.

3. Year End Position – Detailed Review by Funding Block

The Schools Block

Ref	Cost Centre	Original Budget	Revised Budget	Year End Expenditure	(Under) / Over spend	Month Ten Forecast (under) / over spend
90020	Primary Schools	46,433,670	46,433,670	46,444,102	10,432	0
90025	Secondary Schools	16,621,740	16,621,740	16,632,219	10,479	0
90035	LAC Pupil Premium	0	0	0	0	0
90112	Trade Union Costs Primary	24,960	24,960	13,499	-11,461	0
90117	Trade Union Costs Secondary	11,880	11,880	23,342	11,462	0
90230	Primary Schools in Financial Difficulty	115,470	231,150	112,297	-118,853	0
90235	School Delegated Contingency (Growth Fund)	370,000	203,890	148,341	-55,549	0
90255	Virtual School Service	168,130	168,130	171,766	3,636	0
90349	Behaviour Support	142,060	142,060	161,771	19,711	15,000
90583	CLA/MPA Licences	76,120	76,120	76,119	-1	0
90019	DSG Servicing of Schools' Forum	42,220	42,220	31,563	-10,657	-10,000
90743	Admissions	180,450	180,450	172,760	-7,690	-7,450
Total		64,186,700	64,136,270	63,987,779	-148,491	-2,450
Change on Month Ten Expenditure Forecast (increase) / decrease						-146,041

3.1 The under spend on the School's Block increased by £146k between Month Ten and the yearend. The increase was predominately the result of additional under spend not previously forecast against School's in Financial Difficulty and the Delegated Contingency (which if unspent are carried forward).

3.2 In respect of the de-delegated budgets, Virtual School Service and Behaviour Support Services ended the financial year with over spend equating to 2.2% and 13.9% of the budget respectively. The over spend against the Virtual School Service was the result of additional in year support to pupils. The over spend against the Behaviour Support Service was the result of non achievement of the academy income buy back target. The Trade Union Facilities Time which is split across the Special Costs – Primary and Special Costs – Secondary cost centres, in total ended the year with an on line position.

3.3 Detailed comments on the year end position on a cost centre by cost centre basis are detailed in Appendix A.

3.4 It is recommended that the total under spend on Schools in Financial Difficulty £118,853 and £29,638 of the under spend on contingency for growth fund be carried forward and added to the 2015/16 funds (total £148,491).

The Early Years Block

Ref	Cost Centre	Original Budget	Revised Budget	Year End Expenditure	(Under) / Over spend	Month Ten Forecast (under) / over
90010	Nursery Schools	809,470	809,470	828,581	19,111	19,270
90017	Early Years Support Team	72,300	72,300	119,624	47,324	-15,600
90018	Expenditure on 2 year olds	1,267,230	1,267,230	531,082	-736,148	-771,660
90036	Early Years Funding for PVI	4,308,760	4,308,760	4,611,588	302,828	322,340
90037	Early Yrs Funding Maintained Sector	1,112,950	1,112,950	1,131,953	19,003	25,470
90051	Early Years Funding - Contingency	354,540	258,210	0	-258,210	-258,210
Total		7,925,250	7,828,920	7,222,828	-606,092	-678,390
Change on Month Ten Expenditure Forecast (increase) / decrease						72,298

3.4 The under spend on the Early Years Block has reduced by £72k from the forecast under spend as reported at Month Ten and the year end. The reduction is predominately the result of IT investment in the Early Years Provider and Two Year Olds Provider Portal paid from the early years support team budget but funded as planned from the two year old trajectory funding.

3.5 The under spend against the Early Years Block was agreed at School's Forum on 9th March 2015 to be carried forward into the 2015-16 budget in order to maintain the funding rates to providers for 2015/16.

3.6 Detailed comments on the year end position on a cost centre by cost centre basis are detailed in Appendix A.

The High Needs Block

Ref	Cost Centre	Original Budget	Revised Budget	Year End Expenditure	(Under) / Over spend	Month Ten Forecast (under) / over
Consolidated	Place Funding	4,469,250	4,506,750	4,506,748	-2	0
Consolidated	Top Up Funding	9,434,070	9,441,390	9,827,673	386,283	-423,490
Consolidated	Other SEN Services	1,776,400	1,825,400	1,824,095	-1,305	12,420
90237	Contingency	1,500,780	729,920	0	-729,920	-729,920
Total		17,180,500	16,503,460	16,158,516	-344,944	-294,010
Change on Month Ten Expenditure Forecast (increase) / decrease						-50,934

3.7 The under spend on the High Needs Block increased by £51k from the forecast as reported at Month Ten and the year end. The increase was the result of an increase in the under spend against top up funding.

3.8 In total there was a £386k over spend against top up funding which was offset via a £729k under spend on the Special Needs Delegated Contingency budget. The main areas of pressure within the top up budgets were:

1. Pupil Referral with an over spend of £436k, 36% of the specific Pupil Referral Top Up budget.
2. Academy School Resource Units with an over spend of £124k
3. Special Schools with an over spend of £118k

3.9 In respect of other SEN related services funded from the High Needs Block the main area of pressure identified was Home Tuition with an over spend of £49k. Detailed comments on the year end position on a cost centre by cost centre basis are detailed in Appendix A.

3.10 It is recommended that the under spend of £344,944 in the high needs block is carried forward to support the high needs budget in 2015/16. The budget assumed a £200k carry forward, but was set with a £265k shortfall. This will therefore leave a £120k budget shortfall to be met by assumed underspends in year.

3.11 To summarise, the recommended use of the carry forward is as follows:

	Carry Forward £
Primary Schools in Financial Difficulty	118,850
Contingency – growth fund	29,640
Early Years Block – towards funding the budget as set	606,090
High Needs Block – towards funding the budget as set	344,950
TOTAL	1,099,530

4. Budget Changes in Year 2014-15

	Original Budget	Revised Budget	In Year Change
Schools Block	64,186,700	64,136,270	-50,430
Early Years Block	7,925,250	7,828,920	-96,330
High Needs Block	17,180,500	16,503,460	-677,040
Net Expenditure	89,292,450	88,468,650	-823,800

4.1 £823k of budget changes were processed in year with the approval of the School's Forum.

Appendices

Appendix A – DSG 2014-15 Year End Position as at 31st March 2015

Appendix A: Dedicated School's Grant (DSG) 2014-15 Year End

Cost Centre	Description	Orginal Budget	Net Virements in year	Amended Budget	Actual	Variance	Comments
90020	Primary Schools	46,433,670		46,433,670	46,444,102	10,432	in year rates adjustments
90025	Secondary Schools	16,621,740		16,621,740	16,632,219	10,479	in year rates adjustments
90035	LAC Pupil Premium	0		0	0	0	
90112	Special Costs Primary	24,960		24,960	13,499	-11,461	
90117	Special Costs Secondary	11,880		11,880	23,342	11,462	
90230	Schools in Financial Difficulty	115,470	115,680	231,150	112,297	-118,853	Fund to be carried forward
90235	School Delegated Contingency	370,000	-166,110	203,890	148,341	-55,549	Growth/Falling Rolls Fund not all required in year
90255	Virtual School Service	168,130		168,130	171,766	3,636	Insurance Claim £1k. Additional support required for new pupils.
90349	Behaviour Support - DSG	142,060		142,060	161,771	19,711	Underachieved Academy income target.
90583	CLA/MPA Licences	76,120		76,120	76,119	-1	
90019	DSG Servicing of Schools' Forum	42,220		42,220	31,563	-10,657	Supplies and Services under spend
90743	Admissions	180,450		180,450	172,760	-7,690	Under spend on Consultants Fees for place planning modelling.
Schools Block Total		64,186,700	-50,430	64,136,270	63,987,779	-148,491	
90010	Nursery Schools	809,470		809,470	828,581	19,111	Demand led - Equates to 7 additional children funded
90017	Early Years Support Team	72,300		72,300	119,624	47,324	Investment in IT systems - Early Years Provider portal and 2 year old funding portal
90018	Expenditure on 2 year olds	1,267,230		1,267,230	531,082	-736,148	Actual take up of places (approx 177) significantly lower than Government prediction (approx 384) and the fixed DSG funding provided
90036	Early Years Funding for PVI	4,308,760		4,308,760	4,611,588	302,828	Demand led - Equates to approx 124 additional children funded
90037	Early Yrs Funding Maintained Sector	1,112,950		1,112,950	1,131,953	19,003	Demand led - Equates to 8 additional children funded
90051	Early Years Funding - Contingency	354,540	-96,330	258,210	0	-258,210	partly offsets in year places growth not funded by DSG
Early Years Block Total		7,925,250	-96,330	7,828,920	7,222,828	-606,092	
90026	Academy Schools RU Top Ups	252,610		252,610	377,015	124,405	Demand led
90539	Special Schools - Top Up Funding	2,465,120		2,465,120	2,583,548	118,428	Demand led
90548	Non WBC Special Schools - Top Up Funding	663,900		663,900	720,291	56,391	Demand led
90575	Non LEA Special School (OofA)	889,740		889,740	864,869	-24,871	Demand led
90579	Independent Special School Place & Top Up	1,476,030		1,476,030	1,480,690	4,660	Demand led
90580	Further Education Colleges Top Up	1,345,340		1,345,340	1,063,033	-282,307	Successful negotiation with colleges on the fees for College students.
90617	Resourced Units top up Funding maintained	335,060		335,060	305,713	-29,347	Demand led
90618	Non WBC Resourced Units - Top Up Funding	15,300		15,300	23,922	8,622	Demand led
90621	Mainstream - Top Up Funding maintained	572,830		572,830	518,794	-54,036	Demand led
90622	Mainstream - Top Up Funding Academies	161,940		161,940	183,221	21,281	Demand led
90624	Non WBC Mainstream - Top Up Funding	50,700		50,700	57,388	6,688	Demand led
90625	Pupil Referral Units - Top Up Funding	1,205,500	7,320	1,212,820	1,649,188	436,368	Increase in demand
90237	Special Needs Delegated Contingency	1,500,780	-770,860	729,920	0	-729,920	Contingency to offset increases in demand through year
High Needs Block: Top Up Funding Total		10,934,850	-763,540	10,171,310	9,827,673	-343,637	
90320	Pupil Referral Units	672,000		672,000	672,000	0	
90540	Special Schools	2,860,000	25,000	2,885,000	2,885,000	0	

