

Dedicated Schools Grant Monitoring Report 2015/16 – Month 9

Report being considered by: Schools Forum
On: 25/01/2016
Report Author: Claire White, Ian Pearson
Item for: Discussion **By:** All Forum Members

1. Purpose of the Report

1.1 This report sets out the current financial position of the services funded by the Dedicated Schools Grant (DSG), highlighting any under or over spends.

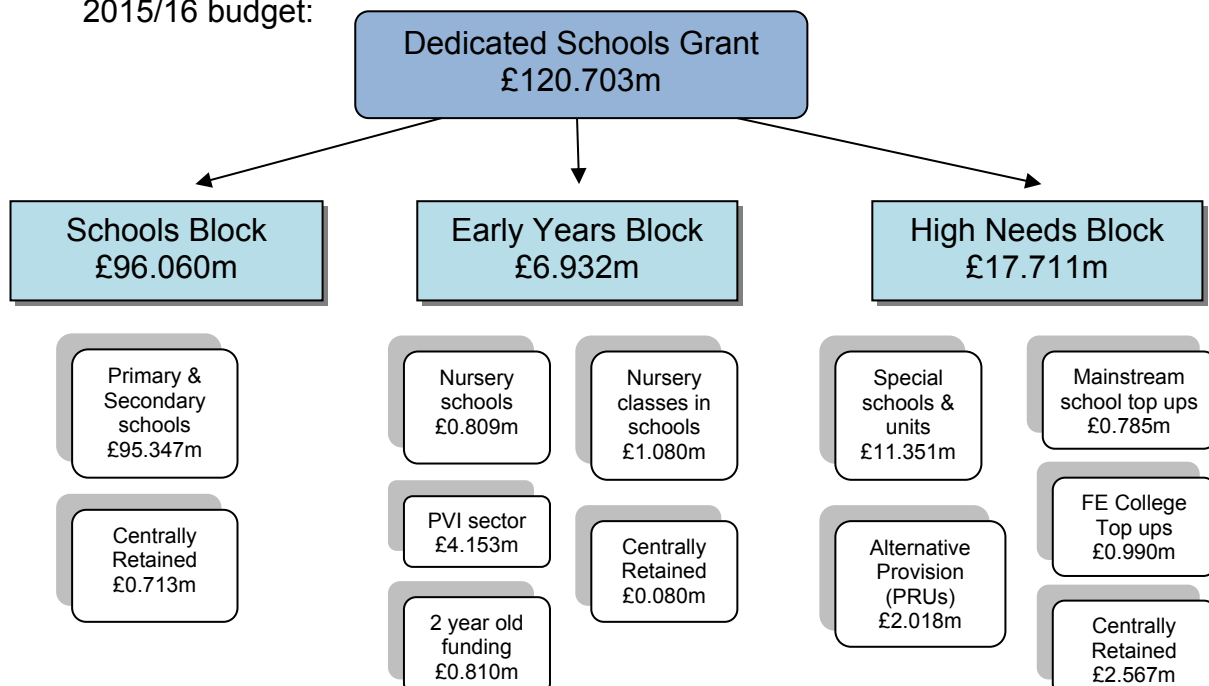
2. Recommendation(s)

2.1 To note the report and the impact that the over spend on the High Needs Block will have on the 2016/17 budget.

Will the recommendation require the matter to be referred to the Council or the Executive for final determination?	Yes: <input type="checkbox"/>	No: <input checked="" type="checkbox"/>
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3. Background

- 3.1 The Dedicated Schools Grant (DSG) is a ring fenced specific grant and can only be spent on school/pupil activity.
- 3.2 The grant is split into three funding blocks. Although separate allocations are received for each, the blocks themselves are not ring fenced.
- 3.3 The following diagram shows what is funded out of each of the three blocks in the 2015/16 budget:



Notes:

1. The main centrally retained services are:
 Schools Block – licences for all schools, growth fund for schools, school admissions service
 Early Years Block – quality monitoring & compliance, eligibility checking, sufficiency & sustainability planning, early years IT system
 High Needs Block – ASD advisory support, Home Tuition, Engaging Potential, therapy services, sensory impairment support, inclusion support, applied behaviour support, vulnerable children support, early intervention
2. The figures include funding to Academies and post 16 high needs place funding which form part of our allocation but are paid direct by the EFA, and exclude carry forward of one off funding from the previous year
- 3.4 Overspends, unless funded from outside the DSG, are carried forward and top sliced from the following year’s DSG allocation. Under spends must be carried forward to support the school’s budget in future years.
- 3.5 The Authority and Schools’ Forum are responsible for ensuring that the DSG is deployed correctly, and monitoring of spend against the grant needs to take place regularly to enable decision making on overspends/underspends and to inform future year budget requirements.

4. Monitoring Position as at Month 9 (31 December 2015)

- 4.1 At the end of December 2015 the total DSG overspend position forecast for year end is £495k, compared to the month 7 forecast of £680k overspend, all in the high needs block, as shown in Table 1 below:

Table 1 Financial Position as at Month 9	Total Current Budget £	Forecast Year End @ Month 9 £	Outturn Variance Month 9 £	Outturn Variance Month 7 £
Schools Block (inc ISB)	65,464,140	65,461,440	-2,700	-2,700
Early Years Block	7,629,750	7,629,750	0	0
High Needs Block	16,141,010	16,639,240	498,230	683,270
Total Net Expenditure	89,234,900	89,730,430	495,530	680,570
Support Service Recharges	720,890	720,890	0	0
Total Expenditure	89,955,790	90,451,320	495,530	680,570
DSG Grant	-89,955,790	-89,955,790	0	0
Net Position	0	495,530	495,530	680,570

A further analysis per cost centre is shown in Appendix A.

- 4.2 The Schools Block is expected to be largely on-line. Any under spends in the growth and falling rolls fund (contingency) budget, primary schools in financial difficulty budget, and other de-delegated services will be ring fenced and carried forward to 2016/17 and will not impact on the overall position of the DSG. There may be a small overspend on the delegated primary and secondary budgets due to rating revaluations. The Admissions budget is showing a small under spend.
- 4.3 Although Table 1 is showing no variance on the early years block, there is likely to be an under spend as the actual number of hours of provision being funded has not seen a significant increase in year as expected. Due to the volatile nature of both early years block funding and payments to providers, forecasts can only be based on current trends. Once the January 2016 census data is available to determine the actual funding we will receive in year, and spring term payments have been made for actual hours of provision, the forecast for this block will be able to be accurately assessed. It is anticipated that there will be a large under spend in order to support the early years budget for 2016/17, otherwise the rates paid to providers will need to be reduced.
- 4.4 The High Needs Block is currently forecasting an overspend of £498k, most of which is due to new placements in non West Berkshire Special schools, mainly Thames Valley Free School, and top ups at the PRUs. Other pressures include additional placements over and above allocated place numbers in our own special schools, and payments to private hospital tuition providers, but these are offset by under spends in top ups for non maintained special schools and further education colleges. The forecast has gone down compared to month 7, and represents the position as at the end of the Autumn term. Less movement in placements tend to take place in the Spring term.
- 4.5 In addition to the £498k overspend on the high needs expenditure budget, the budget for this block was set £127k over the actual grant available. This means that £625k will need to be met from the 2016/17 allocation of DSG.

5. Conclusion

- 5.1 The current expenditure budget for the High Needs Block is not sustainable and significant savings will need to be found from 2016/17 in order to meet the current year over spend and to balance the budget in year moving forward.

6. Appendices

Appendix A – DSG 2015-16 Budget Monitoring Report Month 9

Dedicated School's Grant (DSG) 2015-16 Budget Monitoring Month 9								
Budget manager	Cost Centre	Description	Original Budget	Net Virements in year	Amended Budget	Forecast	Variance	Comments
Ian Pearson	90019	DSG Servicing of Schools' Forum	36,840		36,840	36,840	0	
Ian Pearson	90020	Primary Schools	47,457,760		47,457,760	47,457,760	0	
Ian Pearson	90025	Secondary Schools	16,650,490		16,650,490	16,650,490	0	
Maxine Slade	90035	LAC Pupil Premium	0		0	0	0	
Ian Pearson	90038	Pupil Premium -	0		0	0	0	
Ian Pearson	90112	Special Costs Primary	29,080		29,080	29,080	0	
Ian Pearson	90117	Special Costs Secondary	14,000		14,000	14,000	0	
Ian Pearson	90230	Schools in Financial Difficulty	115,110	118,850	233,960	233,960	0	
Ian Pearson	90235	School Delegated Contingency	290,000	32,160	322,160	322,160	0	
Ian Pearson	90236	Managed Moves/Exclusions Contingency	0		0	0	0	
Maxine Slade	90255	Virtual School Service	222,010		222,010	222,010	0	
Cathy Burnham	90349	Behaviour Support - DSG	192,540		192,540	192,540	0	
Caroline Corcoran	90583	CLA/MFA Licences	122,410		122,410	122,410	0	
Caroline Corcoran	90743	Admissions	182,890		182,890	180,190	-2,700	
Schools Block Total			65,313,130	151,010	65,464,140	65,461,440	-2,700	
Ian Pearson	90010	Nursery Schools	808,730		808,730	808,730	0	
Avril Allenby	90017	Early Years Support Team	47,680		47,680	47,680	0	
Avril Allenby	90018	Expenditure on 2 year olds	810,000		810,000	810,000	0	
Avril Allenby	90036	Early Years Funding for PVI	4,726,470	-52,820	4,673,650	4,673,650	0	
Ian Pearson	90037	Early Yrs Funding Maintained Sector	1,080,100		1,080,100	1,080,100	0	
Avril Allenby	90051	Early Years Funding - Contingency	0		0	0	0	
Avril Allenby	90052	Early Years FPG & Deprivation Funding	209,590		209,590	209,590	0	
Early Years Block Total			7,682,570	-52,820	7,629,750	7,629,750	0	
Nicola Ponton	90026	Academy Schools RU Top Ups	419,730		419,730	378,730	-41,000	Based on current demand
Nicola Ponton	90539	Special Schools - Top Up Funding	2,730,940		2,730,940	2,766,940	36,000	Based on current demand
Nicola Ponton	90548	Non WBC Special Schools - Top Up Funding	735,240		735,240	1,085,240	350,000	Based on current demand
Nicola Ponton	90575	Non LEA Special School (OofA)	905,320		905,320	855,320	-50,000	Based on current demand
Nicola Ponton	90579	Independent Special School Place & Top Up	1,583,850		1,583,850	1,565,720	-18,130	Based on current demand
Nicola Ponton	90580	Further Education Colleges Top Up	990,040		990,040	950,040	-40,000	Achieved through negotiations with Colleges by the SEN Team
Nicola Ponton	90617	Resourced Units top up Funding maintained	329,230		329,230	339,230	10,000	Based on current demand
Nicola Ponton	90618	Non WBC Resourced Units - Top Up Funding	27,860		27,860	44,240	16,380	Based on current demand including new placements
Nicola Ponton	90621	Mainstream - Top Up Funding maintained	509,980	-50,000	459,980	469,980	10,000	Based on current demand
Nicola Ponton	90622	Mainstream - Top Up Funding Academies	213,240		213,240	183,240	-30,000	Based on current demand
Nicola Ponton	90624	Non WBC Mainstream - Top Up Funding	62,150		62,150	66,650	4,500	Based on current demand
Cathy Burnham	90625	Pupil Referral Units - Top Up Funding	1,061,000		1,061,000	1,261,000	200,000	Estimated from Summer & Autumn Terms Actuals
Nicola Ponton	90627	Disproportionate No: of HN Pupils NEW	0	50,000	50,000	70,000	20,000	Based on current demand
Jane Seymour	90237	Special Needs Delegated Contingency	0		0	0	0	
High Needs Block: Top Up Funding Total			9,568,580	0	9,568,580	10,036,330	467,750	
Cathy Burnham	90320	Pupil Referral Units	840,000		840,000	840,000	0	
Ian Pearson	90540	Special Schools	2,860,000		2,860,000	2,860,000	0	
Nicola Ponton	90584	Resourced Units - Place Funding (70)	500,000		500,000	500,000	0	
High Needs Block: Place Funding Total			4,200,000	0	4,200,000	4,200,000	0	
Rhian Ireland	90238	Sen Pre School Childrn	50,210		50,210	60,210	10,000	High number of complex children attending for more hours
Nicola Ponton	90240	Applied Behaviour Analysis	110,730		110,730	90,730	-20,000	Based on current demand
Rhian Ireland	90280	Specil Needs Spprt Team	261,950		261,950	258,950	-3,000	Supplies and Services underspend to support other pressures
Jane Seymour	90290	Sensory Impairment	227,440		227,440	244,060	16,620	Current demand for visits from RBWM Sensory Consortium Service
Jane Seymour	90295	Therapy Services	315,430		315,430	324,430	9,000	Additional support for some children at Castle School.
Cathy Burnham	90315	Home Tuition	300,000		300,000	300,000	0	
Rhian Ireland	90555	LAL Funding	134,600		134,600	134,600	0	
Nicola Ponton	90565	Equipment For SEN Pupils	20,000		20,000	25,000	5,000	Based on need to date
Jane Seymour	90577	SEN Commissioned Provision	540,260		540,260	540,260	0	
Cathy Burnham	90582	PRU Outreach	117,000		117,000	117,000	0	
Jane Seymour	90585	HN Outreach Special Schools	70,000		70,000	70,000	0	
Nicola Ponton	90610	Hospital Tuition	0		0	19,360	19,360	Based on current demand
Rhian Ireland	90830	ASD Teachers	127,940	7,550	135,490	133,490	-2,000	Employees underspend
Rhian Ireland	90957	Early Intervention	7,550	-7,550	0	0	0	
Cathy Burnham	90961	Vulnerable Children	60,000		60,000	60,000	0	
Rhian Ireland	90965	SEN Inclusion Programme	29,320		29,320	24,820	-4,500	Supplies and Services underspend to support other pressures
High Needs Block: Non Top Up or Place Funding			2,372,430	0	2,372,430	2,402,910	30,480	
High Needs Block Total			16,141,010	0	16,141,010	16,639,240	498,230	
Total Expenditure across funding blocks			89,136,710	98,190	89,234,900	89,730,430	495,530	
SUPPORT SERVICE RECHARGES			720,890		720,890	720,890	0	
TOTAL DSG EXPENDITURE			89,857,600	98,190	89,955,790	90,451,320	495,530	
Ian Pearson	90030	DSG Grant Account	-89,857,600	-98,190	-89,955,790	-90,451,320	-495,530	
NET DSG EXPENDITURE			0	0	0	0	0	