

Dedicated Schools Grant Monitoring Report 2016/17 – Month 5

Report being considered by: Schools Forum
On: 10/010/2016
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 That the report be noted.

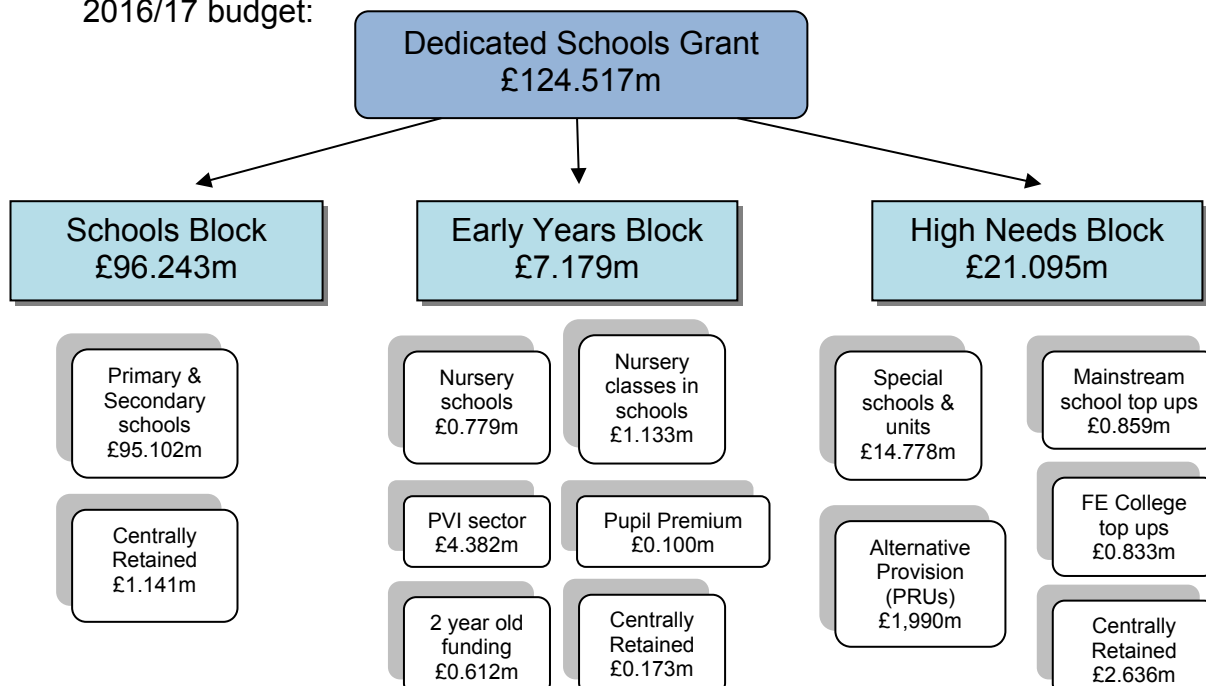
Will the recommendation require the matter to be referred to the Council or the Executive for final determination?	Yes: <input type="checkbox"/>	No: <input checked="" type="checkbox"/>
---	-------------------------------	---

3. Background

3.1 The Dedicated Schools Grant (DSG) is a ring fenced specific grant which can only be spent on school/pupil activity as set out in The School and Early Years Finance (England) Regulations 2015.

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 2016/17 budget:



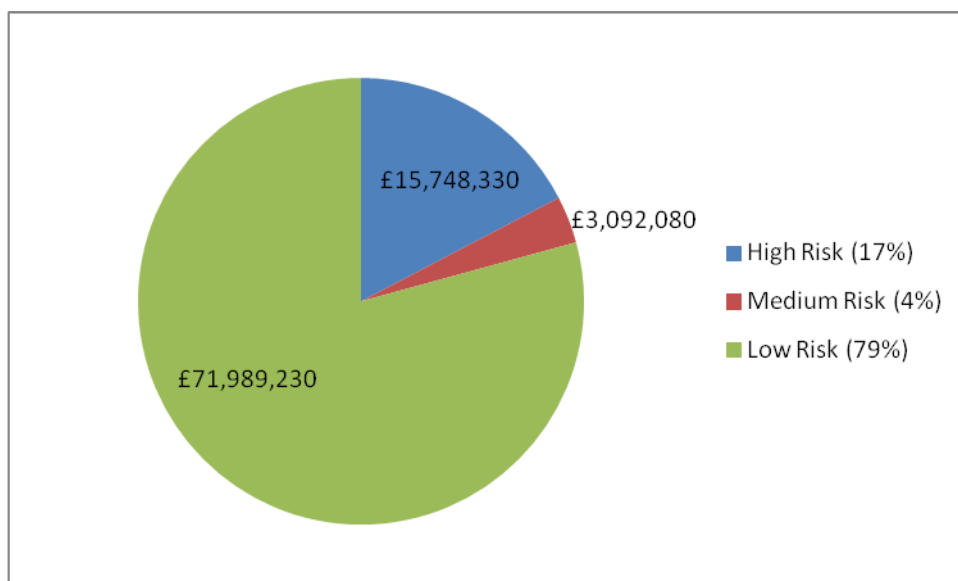
Notes:

1. The figures above include expected carry forward of grant totalling £1,254m. The actual in-year grant allocation is £123.263m
2. 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
 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
3. The figures include funding to Academies and post 16 high needs place funding which form part of our allocation but not our budget as they are paid direct by the EFA – this totals £33,687k.

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 according to the Regulations, 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.

3.6 The following chart illustrates the proportion and value of the DSG budget that is volatile and high risk due to regulations requiring funding to follow the pupil according to their individual needs (top up funding, early years funding), and where increases are largely outside the control of officers:



Medium risk relates mainly to contracts with external providers where the charge may vary or where staffing budgets may vary, and low risk is for budgets such as school delegated funding and high needs place funding which is fixed and will not vary at all in year.

4. Monitoring Position as at Month 5 (31 August 2016)

4.1 The forecast under or over spend position at the end of August is shown in the table below. A more detailed position per cost centre is shown in Appendix A.

DSG Block	Total Net Budget	Forecast (under) / over spend					Change from last report
		Month Three	Month Five	Month Seven	Month Nine	Year End	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Schools Block (inc ISB)	66,043	0	0				0
Early Years Block	7,147	0	0				0
High Needs Block	16,919	0	0				0
Total Net Expenditure	90,109	0	0				0
Support Service Recharges	721	0	0				0
Total Expenditure	90,830	0	0				0
DSG Grant Expected	-90,830	697	1,000				303
Net Position	0	697	1,000				303

- 4.2 As at the end of August 2016 there were no variances emerging in any of the spending blocks compared to the budget set.
- 4.3 The forecast over spend on grant income is partly (£697k) as per the decision made by the Schools' Forum when the budget was set in March 2016 to allocate out more grant than that expected to enable the continuation of some key high needs services. This decision was taken after consideration of the two year position whereby it was forecast that the 2016/17 overspend can be met from the 2017/18 DSG allocation, assuming costs overall do not significantly increase and our DSG allocation remains at a similar level.
- 4.4 The remaining £303k variance on grant income is due to the January 2016 early years PVI census returning a lower number than that estimated in the budget. This was notified to the local authority in July and has resulted in a claw back of funding relating to 2015/16 (91k), and a lower estimate of funding for 2016/17.

5. Schools Block

- 5.1 The Schools Block is expected to be on-line, with any under or over spends in the growth and falling rolls fund (contingency) budget, primary schools in financial difficulty budget, and other de-delegated services being ring fenced and carried forward to 2017/18, not impacting on the overall position of the DSG. There may be

variations on the delegated primary and secondary budgets due to rating revaluations, but this will not be significant.

6. Early Years Block

- 6.1 The early years block is difficult to predict due to the volatile nature of both early years block funding (the final grant allocation is largely based on the January 2017 census), and payments to providers (payments are made according to actual number of hours of provision each term). Summer term payments to providers were greater than budgeted, but lower numbers in the autumn term may well off set this. The report is therefore showing spend to be on-line until the autumn position is determined in month seven when the majority of payments for this term have been made.

7. High Needs Block

- 7.1 The High Needs Block is currently on-line. The high risk top-up budgets are based on actual pupils in the spring term (plus or minus known changes), and there were minimal changes to this position in the summer term. Most changes in high needs placements take place in the autumn term, and no significant increases are currently showing. Month seven figures will provide a better indication of the financial year position. Charges for hospital tuition (in private settings) is becoming a growing pressure and the level/nature of these charges are currently being investigated.

8. Conclusion

- 8.1 It is too early in the academic year to assess whether the DSG budget will continue to be on-line. Most funding changes occur in the autumn term, so a clearer picture will emerge by month seven.

9. Appendices

Appendix A – DSG 2016-17 Budget Monitoring Report Month 5

Dedicated School's Grant (DSG) 2016-17 Budget Monitoring Month 5								
Budget manager	Cost Centre	Description	Original Budget	Net Virements in year	Amended Budget	Forecast	Variance	Comments
Ian Pearson	90019	DSG Servicing of Schools' Forum	42,220		42,220	42,220	0	
Ian Pearson	90020	Primary Schools	47,945,750		47,945,750	47,945,750	0	
Ian Pearson	90025	Secondary Schools	16,477,900		16,477,900	16,477,900	0	
Maxine Slade	90035	LAC Pupil Premium	0		0	0	0	
Ian Pearson	90038	Pupil Premium -	0		0	0	0	
Rob O'Reilly	90112	Special Costs Primary - closed	34,790	-34,790	0	0	0	
Rob O'Reilly	90117	Special Costs Secondary - closed	11,970	-11,970	0	0	0	
Rob O'Reilly	90113	Trade Union Costs - New	0	46,760	46,760	46,760	0	
Ian Pearson	90230	Schools in Financial Difficulty	117,320	215,280	332,600	332,600	0	
Ian Pearson	90235	School Delegated Contingency	290,000	143,920	433,920	433,920	0	
Ian Pearson	90236	Managed Moves/Exclusions	0		0	0	0	
Maxine Slade	90255	Virtual School Service	229,130	3,150	232,280	232,280	0	
Cathy Burnham	90349	Behaviour Support - DSG	203,890	10,640	214,530	214,530	0	
Caroline Corcoran	90583	CLA/MPA Licences	126,780		126,780	126,780	0	
Caroline Corcoran	90743	Admissions	190,400		190,400	190,400	0	
Schools Block Total			65,670,150	372,990	66,043,140	66,043,140	0	
Ian Pearson	90010	Nursery Schools	779,380		779,380	779,380	0	
Avril Allenby	90017	Early Years Support Team	95,960		95,960	95,960	0	
Avril Allenby	90018	Expenditure on 2 year olds	611,450		611,450	611,450	0	
Avril Allenby	90036	Early Years Funding for FVI	4,382,000		4,382,000	4,382,000	0	
Ian Pearson	90037	Early Yrs Funding Maintained Sector	1,133,080		1,133,080	1,133,080	0	
Avril Allenby	90051	Early Years Funding - Contingency	0		0	0	0	
Avril Allenby	90052	Early Years FPG & Deprivation Funding	100,000		100,000	100,000	0	
Rhian Ireland	90287	Pre School Teacher Counselling	45,000		45,000	45,000	0	
Early Years Block Total			7,146,870	0	7,146,870	7,146,870	0	
Nicola Ponton	90026	Academy Schools RU Top Ups	546,760		546,760	546,760	0	
Nicola Ponton	90539	Special Schools - Top Up Funding	3,142,550		3,142,550	3,142,550	0	
Nicola Ponton	90548	Non WBC Special Schools - Top Up Funding	1,068,100		1,068,100	1,068,100	0	
Nicola Ponton	90575	Non LEA Special School (OofA)	750,950		750,950	750,950	0	
Nicola Ponton	90579	Independent Special School Place & Top Up	1,683,500		1,683,500	1,683,500	0	
Nicola Ponton	90580	Further Education Colleges Top Up	832,650		832,650	832,650	0	
Nicola Ponton	90617	Resourced Units top up Funding maintained	367,910		367,910	367,910	0	
Nicola Ponton	90618	Non WBC Resourced Units - Top Up Funding	50,000		50,000	50,000	0	
Nicola Ponton	90621	Mainstream - Top Up Funding maintained	480,420		480,420	480,420	0	
Nicola Ponton	90622	Mainstream - Top Up Funding Academies	184,790		184,790	184,790	0	
Nicola Ponton	90624	Non WBC Mainstream - Top Up Funding	66,220		66,220	66,220	0	
Cathy Burnham	90625	Pupil Referral Units - Top Up Funding	1,033,340		1,033,340	1,033,340	0	
Nicola Ponton	90627	Disproportionate No. of HN Pupils NEW	127,690		127,690	127,690	0	
Jane Seymour	90237	Special Needs Delegated Contingency	0		0	0	0	
High Needs Block: Top Up Funding Total			10,334,880	0	10,334,880	10,334,880	0	
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)	470,830		470,830	470,830	0	
High Needs Block: Place Funding Total			4,170,830	0	4,170,830	4,170,830	0	
Rhian Ireland	90238	Sen Pre School Childrn	50,210		50,210	50,210	0	
Nicola Ponton	90240	Applied Behaviour Analysis	76,130		76,130	76,130	0	
Rhian Ireland	90280	Spec Needs Spprt Team	300,280	-27,840	272,440	272,440	0	
Rhian Ireland	90288	Elective Home Education Monitoring - New	0	27,840	27,840	27,840	0	
Jane Seymour	90289	Learning Independence for Travel	40,000		40,000	40,000	0	
Jane Seymour	90290	Sensory Impairment	238,800		238,800	238,800	0	
Jane Seymour	90295	Therapy Services	324,430		324,430	324,430	0	
Cathy Burnham	90315	Home Tuition	300,000		300,000	300,000	0	
Rhian Ireland	90555	LAL Funding	116,200		116,200	116,200	0	
Nicola Ponton	90565	Equipment For SEN Pupils	20,000		20,000	20,000	0	
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	20,000		20,000	20,000	0	
Rhian Ireland	90830	ASD Teachers	139,720		139,720	139,720	0	
Rhian Ireland	90857	Early Intervention - closed	0		0	0	0	
Cathy Burnham	90961	Vulnerable Children	60,000		60,000	60,000	0	
Rhian Ireland	90965	SEN Inclusion Programme - closed	0		0	0	0	
High Needs Block: Non Top Up or Place Funding			2,413,030	0	2,413,030	2,413,030	0	
High Needs Block Total			16,918,740	0	16,918,740	16,918,740	0	
Total Expenditure across funding blocks			89,735,760	372,990	90,108,750	90,108,750	0	
SUPPORT SERVICE RECHARGES			720,890		720,890	720,890	0	
TOTAL DSG EXPENDITURE			90,456,650	372,990	90,829,640	90,829,640	0	