

DSG Outturn 2017/18 and Carry Forward to 2018/19

Report being considered by: Schools Forum
On: 15th October 2018
Report Author: Wendy Howells
Item for: Decision **By:** All Forum Members

1. Purpose of the Report

- 1.1 To set out the actual deployment of the Dedicated Schools Grant (DSG) in 2017/18, with the main variances and to propose the amounts to be carried forward to 2018/19

2. Recommendation(s)

- 2.1 To approve the overall carry forward, and the utilisation of the unspent DSG funds being carried forward from 2017/18 to 2018/19 as set out in section 6 of the report.

Will the recommendation require the matter to be referred to the Council or the Executive for final determination?

Yes: ☐

No: ☒

3. Introduction

- 3.1 This report has already been considered by Heads Funding Group and Schools Forum and Schools Forum has already agreed the carry forward recommendations but due to a technicality the recommendations were not voted on and so this report summarises the position for voting purposes.

4. Year End Position – Summary

- 4.1 Table 1 shows the year end position against the final budget including variances.

TABLE 1	Final Budgeted Over Spend 17/18 £	Actual Over Spend at 31/3/2018 £	Variance to Budget £
Early Years	283,670	117,950	-165,720
High Needs	490,210	308,635	-181,575
Schools Block general		79,695	79,695
Schools Block De- Delegations	26,740	-466,181	-492,921
Central Schools Services Block		-26,550	-26,550
	800,620	13,549	-787,071

5. Schools Block

5.1 A breakdown of the variances in the schools block is shown in Table 2:

TABLE 2	Final Budget £	Actual Spend £	Actual Variance £
Primary schools in financial difficulty	314,650	55,551	-259,099
Other de-delegated services	660,440	575,743	-84,697
Growth fund/falling rolls fund	202,000	126,287	-75,713
Maintained primary & Secondary school delegations	61,837,750	61,917,436	79,686
School improvement	223,240	149,830	-73,410
Other centrally retained services	1,048,410	1,021,865	-26,545
Support Service Recharges	333,800	333,800	0
Expenditure Variance to Budget	64,620,290	64,180,512	-439,778
Total Grant Received		-64,593,550	-413,038
Difference			26,740

Brought forward under spends from 2016/17 are included in the total actual variance. It has already been agreed by Schools Forum to utilise £38k and £13k of the 2016/17 brought forward variance in Ethnic and Minority Bilingual Learners and Behaviour Support respectively to reduce the cost to schools for these services in 2018/19. This reduces the overall amount of under spend available.

Note that the under spent variances against the budget are greater than the total variance against the grant received. This is due to the allocation of the under spends from last year creating a carry forward over spend of £27k. The actual under spend of £413k against the grant will be the allocation for the recommendations otherwise the same problem will occur for 2019/20.

5.2 The following are the recommendations for utilising the unspent budgets

- For the Primary Schools in Financial Difficulty it is recommended that the unspent budget of £259,099 be added to the funding available in 2018/19 to help meet restructuring costs for schools in deficit – this would provide a total budget of £379,120.
- Support to Ethnic and Minority and Bilingual Learners - £35,170 – it is proposed to use this money to offset the cost to schools for this service in 2019/20 (this will be an approximate reduction of £50 per pupil)

- Behaviour Support - £4,500 – it is proposed to add this to the current year budget and utilise this in 2018/19.
- Growth Fund - £75,710 – it is proposed to roll this money into the budget already set for 2018/19 thereby increasing the budget to £277,710.
- School improvement - £73,410 – it is proposed to utilise £5,960 to offset the over spend in the Statutory and Regulatory Duties budget and to correct the £27k over allocation of the under spends from last year. School improvement is funded via a new school improvement grant and therefore the remainder of the under spend could be used to either fund additional school improvement services or increase the budget of any other de-delegated service or be carried forward to the next funding period to reduce the cost of de-delegations in 2019/20. No further proposal was made in relation to the remaining under spend.
- Statutory and Regulatory Duties – (£5,960) is proposed to be covered by the school improvement under spend above.

6. Summary of the Carry Forward Proposals

- 6.1 Table 3 details the 2018/19 proposed budget changes to reflect the net reduction in DSG resources carried forward to 2018/19 as proposed in the detail of each block in the preceding paragraphs.

TABLE 3	Use of funds 2018/19	Use of funds 2019/20
Primary schools in financial difficulty	259,100	
Support to Ethnic Minority and Bilingual Learners	38,300	35,170
Behaviour Support Services	17,190	
Growth Fund	75,710	
School Improvement		40,710
	390,300	75,880

- 6.2 Table 4 shows the movement in the over spend calculation and the use of funds:

TABLE 4	Final Budgeted Over / - Under Spend 18/19					
	Original Budgeted Over Spend	Change due to 17/18 Outturn	Net Difference	Use of funds 2018/19	Under Spend 18/19	Use of funds 2019/20
	18/19	£	£	£	£	£
Early Years	-47,860	84,934	37,074		37,074	
High Needs	702,900	-256,005	446,895	100,000	546,895	
Schools Block general		-17,905	-17,905		-17,905	
Schools Block De-Delegations		-466,181	-466,181	390,300	-75,881	75,881
Central Schools Services Block		-26,550	-26,550		-26,550	
	655,040	-681,707	-26,667	490,300	463,633	75,881

7. Conclusion

- 7.1 Following the vote the proposals above will increase the various budgets by £390k (including increases already agreed) as detailed above. The invest to save sum of £100k from the High Needs budget this will be held in a separate fund in order to monitor specific spend; if not spent this will reduce the amount of the High Needs over spend forecast for 2018/19.