

## **West Berkshire Schools' Forum - Heads Funding Group**

<b>Title of Report:</b>	<b>DSG Monitoring 2013-14, Month 7</b>
<b>Date of Meeting:</b>	<b>27<sup>th</sup> November 2013</b>
<b>Contact Officer(s)</b>	<b>Ian Pearson, Shannon Coleman-Slaughter</b>
<b>For Discussion</b>	

### **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 7 (31st October 2013)

2.1 The following is the position as at the end of October 2013. A further analysis per cost centre is shown in Appendix A:

	<b>Total Budget £m</b>	<b>Actual Spend Forecast £m</b>	<b>Forecast Outturn Variance £m</b>
Schools Block (inc ISB)	69.271	69.228	-0.043
Early Years Block	7.061	7.061	0.0
High Needs Block	16.392	15.559	-0.833
<b>Total Net Expenditure</b>	<b>92.724</b>	<b>91.847</b>	<b>-0.877</b>
Support Service Recharges	0.720	0.720	0.0
<b>Total Expenditure</b>	<b>93.445</b>	<b>92.568</b>	<b>-0.877</b>
DSG Grant	<b>93.445</b>	<b>93.445</b>	<b>0</b>
<b>Net Position</b>	<b>0</b>	<b>-0.877</b>	<b>-0.877</b>

2.2 The Schools Block inclusive of the ISB is forecasting a year end position of £43k under spent. The under spend is being driven through supplies and services savings across the Behaviour Support Service (£29k), Servicing of School's Forums (£11k) and a £4.5k saving on Carbon Allowances purchased on behalf of schools, a small pressure is being incurred against the Admissions service. All ISB are forecasting on line.

2.3 The Early Years Block is forecasting a year end position of on line.

2.4 The High Needs Block is forecasting a year end position of £833k under spent. Within the High Needs Block the Top Up cost centres are forecasting a pressure of £43k. The High Needs Contingency is currently forecasting a year end position of £939k under spent this is post a virement of budget from contingency of £709k as agreed at the School's Forum on 7<sup>th</sup> October 2013 into the Top Up cost centres. The net forecast position for the Top Up cost centres, including the contingency, is £897k under spent at the year end.

2.5 Appendix A details all under and over spends forecast within the High Needs Block.

### **Appendices**

Appendix A – DSG 2013/14 Budget Monitoring Report