

DERBYSHIRE COUNTY COUNCIL

SCHOOLS FORUM

17th December 2013

**Joint Report of the Strategic Director for Children & Younger Adults and the
Director of Finance**

DEDICATED SCHOOLS GRANT (DSG) SPENDING 2013-14

1 Purpose of the Report

To inform Schools Forum of the results of the latest DSG budget monitoring and to highlight major variances.

2. Information and Analysis

2.1 General

This report provides an analysis of the latest forecast year end position for expenditure funded by the Dedicated Schools Grant (DSG) 2013-14 based on income and expenditure up to the end of October.

A breakdown of the spend against budget by service for the DSG is attached as Appendix 1.

2.2 Dedicated Schools Grant (DSG)

The changes in schools funding reform mean that there are now relatively few central budgets retained by the Authority. The Authority retains control over spending on children and young people with additional educational needs in schools (including academies and independent/non maintained sector as well as maintained schools) and the support services that work with those pupils.

The expenditure against the Dedicated Schools Grant is projected to be £447,434k against a grant of £454,668k (before adjustment for in year academy conversions), an underspend of £7,234k.

Of this, £205k has arisen on budgets resulting from pooling arrangements by primary and secondary schools. This underspend is ring-fenced to either future pooling arrangements for maintained schools or must be redistributed to all schools and academies.

A further £3,878k is due to expenditure on provision of nursery places being significantly below the amount of funding allocated by the DfE to the DSG. Take-up of two year old early education places started last year and projected spend is above the level incurred in 2012/13. Additional funding was allocated by the DfE to build capacity as the initiative is embedded.

There is an underspend of £463k on top-ups for pupils funded by the High Needs Block, the largest element within this is £467k for children within primary schools. The overall underspend on top-ups would have been greater except that payments for post-16 students are currently anticipated to be £275k over the allocated budget, although not all colleges have finalised their student rolls.

The budget for placement of children in non LA settings, typically independent special schools is underspent by £510k.

Spend by Pupil Referral Units (PRUs) is £56k below budget and it has been agreed with the PRUs that they will be allowed the same freedoms as schools to carry any unspent budget forward for future years.

There is an underspend of £1,147k on unallocated DSG which is currently held within the High Needs block.

Proposals on the future allocation of the DSG underspend, including the forecast 2013-14 underspend, are on the agenda for tonight's Forum meeting.

3. Other Considerations

In preparing this report the relevance of the following factors has been considered: prevention of crime & disorder, equality of opportunity, human resources, legal & human rights, environmental, health, property and transport considerations.

4. Key Decision?

No.

5. Background Papers

Budget monitoring files held in CAYA Accountancy.

6. Officers' Recommendation

That the Schools Forum notes the outcome of the latest strategic budget monitoring for 2013/14.

IAN THOMAS
Strategic Director for Children & Younger Adults
PETER HANDFORD
Director of Finance

Dedicated Schools Grant

	Full year budget £000s	Forecast year end actual 2013/14 £000s	Forecast year end (Under)/Over 2013/14 £000s
Central expenditure	11,140	10,825	(315)
Early Years	19,581	15,702	(3,879)
High Needs Block – Places & Top-ups	37,085	36,057	(1,028)
High Needs Block – other	14,885	14,183	(702)
Maintained School ISB	370,830	370,667	(163)
Unallocated	1,147	-	(1,147)
	454,668	447,434	(7,234)
Less pooled budget underspend			205
Less PRU underspend			56
			(6,973)