

DERBYSHIRE COUNTY COUNCIL**Schools Forum****24th September 2018****Report of the Strategic Director for Children's Services****Dedicated Schools Grant – budget monitoring****1 Purpose of the Report**

To inform the Schools Forum of the results of the latest projections of expenditure and income for the Dedicated Schools Grant for 2018/19 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 2018-19 prepared during July 2018.

Overall, expenditure of £410.395 million is projected against income plus use of reserves totalling £409.782 million, a net overspend of £0.613 million. An analysis of expenditure by service area is attached as Appendix 1.

Of the net overspend, £0.303 million underspend is projected on de-delegated budgets of mainstream schools due to projected expenditure on reimbursing maternity leave costs to primary schools being below budget. It is intended that the Schools Forum be asked that the outturn on these budgets be combined with the accumulated reserves from previous years' de-delegated budgets, which currently stand at £1.213 million. These reserves will be used to fund any projected overspends on de-delegated budgets or could allow a reduction in contribution rates in future years.

An underspend of £0.025 million is projected on Early Years block budgets. The DSG Early Years block budget and forecast has been set based on the DfE's expected attendance hours based on the January 2017 census data and an estimate of the take-up of the additional 15 hours available to working parents. The DfE will recalculate the amount of DSG due to the Authority in July 2019 based on the January 2018 and January 2019 census data.

High Needs Block budgets are projected to overspend by £1.109 million. Assuming that the re-pooled budget underspend is ring-fenced to maintained schools, the projected High Needs Block overspend would have to be covered from the residual DSG balance.

The most significant area of overspend is on top-up payments and within this the largest overspend is for post-16 placements at colleges and independent providers, and is due to the impact of a number of tribunal decisions and an increase in the number of learners or the number of hours' provision for learners, compared with the expectation when the plan was set.

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, social value, environmental, health, property and transport considerations.

4. Key Decision?

No.

5. Background Papers

Budget monitoring files held in Children's Services Accountancy.

6. Officer's Recommendations

That the Schools Forum notes the outcome of the latest Dedicated Schools Grant projections for 2018/19.

JANE PARFREMENT
Strategic Director for Children's Services

Dedicated Schools Grant - Budget Monitoring (prepared July 2018) Appendix 1

2018/19 Financial Year			
	Allocated Resources (£ million)	Expenditure / (Income) (£ million)	(Under) / over (£ million)
High Needs			
High Needs Block Top-ups	38.929	39.790	0.861
High Needs Block - Special School and PRU budgets	12.071	12.071	-
High Needs Block central services & other	15.634	15.882	0.248
Schools Block & Central			
Other Central Schools Block budgets	4.470	4.482	0.012
School KS1 class size fund	1.101	1.101	-
Schools' re-pooled budgets	5.670	5.367	-0.303
Individual School Budgets (Mainstream, maintained only)	287.114	287.114	-
Early Years			
Central Early Years	2.164	2.139	-0.025
2 year-olds' provision	4.840	4.840	-
3 & 4 year-olds in Private Voluntary and Independent (PVI) settings, schools and Academies	36.664	36.664	-
Nursery Schools allocated budgets	0.945	0.945	-
Total Expenditure	409.602	410.395	0.793
Grant Income			
2018/19 DSG + post-16 grant + reserves drawn down in year	-409.602	-409.782	-0.180
Total	0.000	0.613	0.613