

DERBYSHIRE COUNTY COUNCIL

SCHOOLS FORUM

16th December 2014

**Joint Report of the Strategic Director for Children & Younger Adults and
Director of Finance
DEDICATED SCHOOLS GRANT (DSG) SPENDING 2014-15**

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) 2014-15 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 £455,394k against a grant of £458,395k (before adjustment for unknown in year academy conversions), an underspend of £3,001k of which Forum has agreed to allocate £2,563k for additional capital investment to increase the places for two year olds.

Within the overall projected underspend of £3,001k, £297k 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.

Deducting both this and the commitment to fund two year old capital investment, the uncommitted underspend is currently projected at £141k.

Also within the £3,001k underspend, £2,969k 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 has increased by 63% above the level incurred in 2013/14.

Across the High Needs Block, there is an overall overspend of £123k. The largest overspends within this are

- £218k on Behaviour Services where there is an increased spend due to the Ofsted requirement to ensure that excluded pupils receive 25 hours provision per week.
- £137k on Out County placements.

Smaller projected underspends across other areas reduce this overspend but most areas are projected to be close to the expected allocated budget.

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 2014-15.

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	9,516	9,270	(246)
Early Years	22,561	19,487	(3,074)
High Needs Block – Places & Top-ups	36,272	36,549	277
High Needs Block – other	15,774	15,620	(154)
Maintained School ISB	374,372	374,468	96
Grant Income	(458,495)	(458,395)	100
	0	(3,001)	(3,001)
Less pooled budget underspend			297
Less commitment to Early Years capital investment			2,563
Uncommitted DSG underspend			(141)