

Title of meeting:	Schools Forum
Subject:	Dedicated Schools Grant Budget Monitoring Report for the Third Quarter 2015/16
Date of meeting:	24th February 2016
Report from:	Alison Jeffery, Director of Children's Services
Report by:	Richard Webb, Finance Manager
Wards affected:	All
Key decision:	No
Budget & policy framework decision:	No

1 Purpose of report

- 1.1 To inform Schools Forum of the projected revenue expenditure within the Dedicated Schools Grant (DSG) for the current financial year 2015-16. This report sets out the forecast budget position for the year-end as at the end of December 2015.

2 Background

- 2.1 The DSG is a ring-fenced grant for education and can only be used for the purposes of the Schools Budget as defined in the School and Early Years Finance (England) Regulations.
- 2.2 The original DSG budget for the financial year 2015-16, was approved by the Cabinet Member for Children and Education and endorsed by Schools Forum in February 2015. This report provides Schools Forum with a forecast estimate of the year-end outturn based on the position as at 31 December 2015.

3 Recommendations

3.1 It is recommended that Schools Forum:

3.1.1 Notes the forecast year-end budget position as at the end of quarter 3, for the Dedicated Schools Grant, together with the associated explanations, as detailed in section 4 of the report.

4 Dedicated Schools Grant forecast position as at the end of December 2015

4.1 Table 1 below sets out the forecast year-end financial position of the DSG budget as at 31 December 2015.

Table 1

DEDICATED SCHOOLS GRANT	<i>Original Estimate</i> 2015/16 £000's	<i>Revised Estimate</i> 2015/16 £000's	<i>Projected Outturn</i> £'000's	<i>Projected over/ (under) spend</i> £'000's
DSG : Devolved				
Nursery ISB	7,800	7,654	7,966	312
Nursery Pupil Premium	218	218	218	0
Primary ISB	47,793	46,021	46,021	0
Secondary ISB	21,144	18,641	18,641	0
High Needs ISB	4,894	4,894	4,795	-99
DSG : Retained				
De-Delegated Budgets & Growth Fund	927	900	839	-61
High Needs	9,458	9,458	9,246	-212
Other centrally retained	4,067	3,417	3,326	-91
Total DSG expenditure	96,301	91,203	91,052	-151
Funded by:				
DSG and other Specific Grants for year	-96,301	-91,104	-91,104	0
Add DSG Brought Forward	-4,585	-4,585	-4,585	0
Less DSG Carried Forward	4,585	4,486	4,637	151
Total Retained DSG	-96,301	-91,203	-91,052	151

The figures in the above table are subject to rounding to the nearest £1,000 and may not calculate exactly

Academy conversions

- 4.1.1 There were no academy conversions for the period 1 April to 31 December 2015. However Westover Primary school successfully completed conversion to academy status on 01 February 2016, adjustments to reflect the conversion will be made for the 2015-16 outturn report.

Nursery provision

- 4.1.2 There has been an increase in the number of children attending nursery in the city with private, voluntary and independent providers which is creating pressure on the budget, however this is being partially offset by a decrease in the payments to maintained nurseries. The funding will be adjusted in July 2016 by the EFA to take into account the change in pupil numbers in the January 2016 census.

De-delegated budgets and Growth fund

- 4.1.3 The growth fund criteria have been updated with effect from 01 November 2015 following consultation with schools in October 2015, and all schools eligible under these criteria have been paid. There are some outstanding payments to be made to schools eligible under the old criteria, although the fund is expected to be underspent.

High Needs

- 4.1.4 The high needs budgets are the most volatile area of the DSG due to a significant proportion of the funding being linked to pupil movements. At the time of writing this report all payments to special schools for top up funding have been paid up to the end of the financial year based on the autumn term class list. The reported under spend is being partially offset by over spends on the Out of City & Pupils with Statements / EHCP budgets. The under spend may reduce further when adjustments, based on actual pupils will be posted later in the year.

5 Equality impact assessment (EIA)

- 5.1 No impact assessment has been carried out as the proposals do not have any impact upon a particular equalities group.

6 Legal comments

- 6.1 There are no legal implications arising directly from the recommendations in this report.

7 Director of Finance comments

7.1 Financial comments are contained within the body of the report.

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Alison Jeffery, Director of Children's Services

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
DSG Budget Monitoring	Education Finance Team
School & Early Years Finance (England) Regulations 2014	www.legislation.gov.uk

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by the Chair of Schools Forum on 24th February 2016.

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Signed by:
Chair of Schools Forum



Portsmouth
CITY COUNCIL