

<b>Decision maker:</b>	<b>Schools Forum</b>
<b>Subject:</b>	<b>Dedicated Schools Grant Budget Monitoring Report for the First Quarter 2015/16</b>
<b>Date of decision:</b>	<b>21 October 2015</b>
<b>Report from:</b>	<b>Di Smith, Interim Director of Children's Services</b>
<b>Report by:</b>	<b>Richard Webb, Finance Manager</b>
<b>Wards affected:</b>	<b>All</b>
<b>Key decision:</b>	No
<b>Budget &amp; policy framework decision:</b>	No

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## **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 June 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 30 June 2015.



### 3 Recommendations

- 3.1 It is recommended that Schools Forum notes the forecast year-end budget position as at the end of quarter 1, 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 June 2015

- 4.1 Table 1 below sets out the forecast year-end financial position of the DSG budget as at 30 June 2015.

**Table 1**

<b>DEDICATED SCHOOLS GRANT</b>	<i>Original Estimate 2015/16 £'000's</i>	<i>Projected Outturn £'000's</i>	<i>Projected over/ (under) spend £'000's</i>
<b>DSG : Devolved</b>			
Nursery ISB	7,800	7,717	(83)
Nursery Pupil Premium	218	218	0
Primary ISB	47,793	46,021	(1,772)
Secondary ISB	21,144	18,641	(2,503)
High Needs ISB	4,894	4,894	0
<b>Total Devolved DSG</b>	<b>81,849</b>	<b>77,491</b>	<b>(4,358)</b>
<b>DSG : Retained</b>			
De-Delegated Budgets & Growth Fund	927	900	(27)
High Needs	9,458	9,458	0
Other centrally retained	4,067	4,067	0
DSG and other Specific Grants	(96,301)	(91,916)	4,385
DSG Brought Forward	(4,585)	(4,585)	0
DSG Carried Forward	4,585	4,585	0
<b>Total Retained DSG</b>	<b>(81,849)</b>	<b>(77,491)</b>	<b>4,358</b>
<b>TOTAL Dedicated Schools Grant</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

- 4.2 At this stage in the financial year, the DSG is currently expected to breakeven. The variances shown in the table above are explained in more detail below.

#### **Academy conversions**

- 4.2.1 The Primary and Secondary ISBs, together with the De-delegated budgets are showing a variance due to the conversion of 3 schools to Academy status, following the approval of the budget (Gatcombe Park Primary, Stamshaw Junior School and The City of Portsmouth Boys School). Following conversion to Academy status, the funding for these schools will



be paid directly to them via the Education Funding Agency, rather than via the Council. In July 2015, the Cabinet Member approved the adjustments to the budget to reflect the conversion of these Schools to Academy status, which will be reflected in the quarter two monitoring report.

### **3 and 4 year old January 2015 census.**

4.2.2 The DfE have recovered £83,515 in relation to reduced 3 and 4 year old numbers for the period September 2014 to March 2015. This reflects the change in pupil numbers at the January 2015 census compared to the January 2014 census on which the initial funding for 2014-15 was based. This is expected to be reflected in the expenditure for 3 and 4 year old places in maintained nursery units for 2015-16 as the reduced pupil numbers roll in to the new financial year.

4.3 The High Needs budgets are the most volatile area of the DSG budget, due to a significant proportion of the funding being linked to pupil needs and movements. At this early stage in the financial year, it is not possible to determine accurately the forecast outturn position on the Element 3 top-up funding budgets and therefore the forecast has been reported at budgeted levels. Following receipt of the autumn term class lists in November 2015, it will be possible to more accurately predict the outturn position for the financial 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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**Di Smith, Interim Director for 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:

<b>Title of document</b>	<b>Location</b>
DSG Budget Monitoring	Education Finance Team
School & Early Years Finance (England) Regulations 2014	<a href="http://www.legislation.gov.uk">www.legislation.gov.uk</a>

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by ..... on .....

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Signed by: