

2017-18 Dedicated Schools Grant Budget Position

Schools Forum

Date: 4th July 2017

Author: Finance Manager Education

Wards: All

Locality Affected: All

Parishes Affected: All

1. Purpose and Reasons

- 1.1 To advise Schools Forum members on the latest projected 2017-18 Dedicated Schools Grant (DSG) retained budget position.
- 1.2 The Local Authority (LA) is required to report the position on the DSG budget to the Schools Forum throughout the year and at the financial year end. This report provides Forum Members with the projected year end position against the 2017-18 retained budgets based upon available information at the end of May 2017. In accordance with grant conditions, the year-end DSG balance (whether positive or negative) is ring-fenced and must be carried forward to the following year, and the Schools Forum must be consulted on how the surplus or deficit is managed
- 1.3 The retained DSG budget is monitored in accordance with standard Swindon Borough Council (SBC) budgetary control procedures and a report is submitted to the Education Leadership Team each month. Updates are also periodically provided to Corporate Management Team, Cabinet and the People's Services Leadership Team (PSLT).
- 1.4 Utilisation of the DSG contributes towards delivering the Council Vision Priority "Offer education opportunities that lead to the right skills and the right jobs in the right places".

2. Recommendations

The Schools Forum is recommended to:

- 2.1 Note that the latest projection on the 2017-18 retained budget is an out-turn position that will be **£0.142m** above budget.
- 2.2 Note that following the projected out-turn position the unallocated DSG balance will decrease to **£0.426m**

3. Detail

Latest 2017-18 DSG Retained Budget Monitoring Position

- 3.1 As reported to Schools Forum on 17th January 2017 the overall value of the 2017-18 centrally retained DSG budget is £33.346m, including £1.351m of 30 Hours Implementation Funding, which is included in the 3&4 year old budget.

Further information on the subject of this report can be obtained from Anne Mackay, Finance Manager Education, Direct Dial 01793 465742, amackay@swindon.gov.uk.

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- 3.2 Attached at Appendix A is the report that was issued on 14th June to the Education Leadership Team based on information at the end of May 2017. This shows that the final out-turn position was £0.142m above the overall budget. The main reasons for the projected variances and commentaries on all high risk areas are provided in Appendix A.
- 3.3 The main pressures are due to an increase in the overall numbers of pupils in External Placements and an increase in the Education, Skills and Funding Agency (ESFA) Direct Funding of High Needs recoupment for 26 additional Post 16 Element 2 payments that the LA needs to pay for academic year 2017/18. These additional costs are offset the High Needs Contingency, which is retained to offset pressures in External Placements and High Needs top ups. There was a significant decrease in the number of early year pupils aged 2 and 3&4 years olds taking up places following the Early Years spring census, this reduces both the expected expenditure for Early Years and the DSG funding expecting to be received. At this point in the year the reduction in expenditure and in funding does not affect the overall year end forecast position as the two values match.
- 3.4 Following the forecast overspent position of £0.142m the value of the unallocated DSG balances would be £0.426m.

Members of the Schools Forum are now asked to:

- **Note that the final outturn position (subject to external audit) on the 2016-17 retained budget is £0.142m above budget**
- **Note that following the out-turn position the unallocated DSG balance will increase to £0.426m**

4. Alternative Options

- 4.1 There are no proposals included within this report.

5. Implications, Diversity Impact Assessment and Risk Management

Financial and Procurement Implications

- 5.1 Various financial implications are included in this report relating to management of the retained DSG budget.

Legal and Human Rights Implications

- 5.2 There are no legal or human rights implications arising from this report.

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All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

- 5.3 This report does not make any recommendations that affect these areas.

Diversity Impact Assessment

- 5.4 As there are no proposals in this report, a DIA has not been completed.

Risk Management

- 5.5 There are no specific risk management implications not highlighted in the body of the report.

6. Consultees

- 6.1 Director of Finance (Section 151 Officer) and Director of Law and Democratic Services (Monitoring Officer) are consulted in respect of all reports.

7. Background Papers

- 7.1 None

8. Appendices

- 8.1 Appendix A – Education Leadership Team budget monitoring report
- 8.2 Appendix B – DSG Budget analysis by expenditure type
- 8.3 Appendix C – DSG Profiled budget to date compared with forecast and actual expenditure to date