

2017-18 Dedicated Schools Grant Budget Position

Schools Forum

Date: 20th March 2018

Author:	Finance Manager Education
Wards:	All
Locality Affected:	All
Parishes Affected:	All

1. Purpose and Reasons

- 1.1 To advise Schools Forum members of 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 January 2018. 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"). The council's budget monitoring timetable has recently been improved, the February monitoring forecast position was still being finalised as this report went to print.
- 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 **£0.127m** above budget.
- 2.2 Note that following the projected out-turn position the unallocated DSG balance will decrease to **£0.419m**.

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3. Detail

Latest 2017-18 Retained Budget 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.
- 3.2 Attached at **Appendix A** is the report that was issued on 6th February to the Education Leadership Team on based on information at the end of January. This shows that the projected out-turn position is forecast to be £0.127m 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 projected position for January is a favourable movement of £0.053m when compared to the previous position reported to forum in October of £0.180m above budget, which was based on the position at the end of August.
- 3.4 The main changes are an increase in High Needs Top ups following banding adjustments in both special and mainstream settings and an increase in the number of pupils supported by High Needs Top ups, and costs related to support provided to a school in financial difficulties. These additional costs are offset by a reduction in Post 16 places taken up and a recoupment adjustment for pupil growth confirmed by the Educations and Skills Funding Agency, resulting in a favourable net movement.
- 3.5 At this stage the LA is expecting that, although there continues to be a risk associated with the projection, it is expected that the year-end position of £0.127m (0.38%) above budget will occur, which will reduce the existing unallocated DSG balance.
- 3.6 Following the projected forecast of £0.127m the value of the unallocated DSG balance will be £0.419m.

Members of the Schools Forum are now asked to:

- **Note that the latest projection on the 2017-18 retained budget is £0.127m above budget**
- **Note that following the projected out-turn position the unallocated DSG balance will decrease to £0.419m**

4. Alternative Options

- 4.1 There are no proposals included within this report.

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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.

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 The 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