

2014-15 Dedicated Schools Grant Budget Position

Schools Forum

Date: 17th March 2015

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 2014-15 DSG retained budget position.
- 1.2 The 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 2014-15 retained budgets based upon available information at the end of February 2015.
- 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 Economy and Attainment Leadership Team each month. Updates are also periodically provided to Corporate Board, Cabinet and the Children and Young Peoples Overview and Scrutiny Committee.

2. Recommendations

The Schools Forum is recommended to:

- 2.1 Agree **£0.095m** of additional capital expenditure to support the capital budget of £0.670m and build capacity in the 2 year old provision.
- 2.2 Note that the latest projection on the 2014-15 retained budget is an **underspend of £0.491m**

3. Detail

Latest 2014-15 Retained Budget Position

- 3.1 At the 11th March 2014 Schools Forum meeting the overall value of the 2014/15 centrally retained DSG budget was agreed at £28.5m. As reported to 7th October 2014 Schools Forum Swindon will receive £0.5m of EFA funding to effectively reimburse the DSG for place costs at Uplands Sixth Forum and it was agreed that this will be used to repay £0.5m of equal pay liabilities in 2014/15. Including the EFA funding, the overall value of the 2014/15 centrally retained DSG budget is £29.0m.
- 3.2 Attached at **Annex A** is the report to be issued to the Economy and Attainment Leadership Team, it was produced on 6th March 2015 based on information at the end of January. This shows that an underspend of £0.491m is projected

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

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across the overall budget. The main reasons for the projected variances and commentaries on all high risk areas are provided in Annex A.

- 3.3 The LA Finance team has continued to work with Budget Managers to review the financial position to ensure robust forecasts are projected. In setting the retained budget officers included an element of contingency funding across some of the high risk budget areas to meet for any unexpected placements commissioned before 31st March 2015.
- 3.4 It was agreed at Schools Forum to use £0.200m of the Early Years underspend to support the £0.470m budget (£0.670m in total) to grow capacity in 2 year old provision. A number of projects have been tendered at 15% over budget, requiring a capital budget of £0.765m. Schools Forum are asked to agree the additional £0.095m of expenditure to support capacity building for 2 year old provision.
- 3.5 At this stage the LA is expecting that, although there continues to be a risk associated with the projection, an underspend of £0.491m (1.72%) will occur which will be added to existing unallocated DSG balances. The financial position will continue to be monitored and the final 2014-15 outturn position (subject to external audit) will be represented to the July 2015 Schools Forum after closure of the LAs accounts.
- 3.6 In planning on the allocation of 2015/16 DSG funding the LA will also take into account the DSG balance brought forward from previous years (see separate report on today's agenda regarding 2015/16 DSG Settlement and Budget). It is important that Forum Members bear in mind that this funding can only support one- off spending and cannot sustain permanent increases to local formula funding rates.

Schools Forum is asked to;

- **Agree the £0.095m additional capital expenditure to support the £0.670m budget and build capacity in 2 year old provision.**
- **note that the latest projection on the 2014-15 retained budget is an underspend of £0.491m**

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

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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.

Links to One Swindon, Plans and Policies

- 5.4 Utilisation of the DSG has a direct link to two of the Council's five priorities – "Right skills, right jobs in the right place" and "Make the best use of Swindon's resources inside and outside the Council".

Diversity Impact Assessment

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

Risk Management

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

6. Consultees

- 6.1 The Board Director Resources (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 Annex A – Economy and Attainment Leadership Team budget monitoring reports