

8 March 2016

Dedicated Schools Grant Update on 2014/15 Surplus and 2015/16 Position**1. Purpose of report**

- 1.1 To inform Schools Forum of the forecast year end surplus position for 2015/16.

2. Recommendations

- 2.1 That Schools Forum note the position set out in the update report.

3. Background

- 3.1 Schools Forum has been actively monitoring DSG expenditure in recent years to ensure that any underspend or 'surplus' is identified and action can be taken or surpluses committed as soon as possible. This report provides a further update.

4. Background

- 4.1 The accumulated surplus on the Dedicated Schools Grant (DSG) at the end of 2014/15 totalled £8.492m. Following previous reports to and agreements by Schools Forum, £5.921m of this surplus has already been allocated to specific areas of priority investment. The position is summarised in Table 1 below:

Table 1 – DSG Surplus as at end 2014/15	
Area	Amount (£m)
2013/14 Surplus Brought Forward	5.847
Used in 2014/15 in support of Individual Schools Budgets	(3.549)
2014/15 Surplus	6.194
Total DSG Accumulated Surplus	8.492
Allocated to Specific Areas of Investment:	
School Readiness	1.000
2 Year Old Places	2.200
2 Year Old Trajectory	1.211
Increase in SEN Places	1.000
Relocation of Pupil Referral Unit	0.500
Walsall Association of Governors	0.010
Total Amount Allocated	5.921
Total Unallocated Surplus	2.571

5. 2015/16 High Needs Monitoring

- 5.1 The High Needs budget and projected expenditure, as at January 2016, is shown in **Table 2** below:

Table 2 – High Needs Position as at January 2016			
High Needs Expenditure 2015/16	Budgets as reported on Section 251 (£)	Projected Expenditure as at Jan '16 (£)	Projected Balances for 2015/16 (£)
Place funding mainstream - ARP	817,495	730,000	87,495
Place funding Specials Schools	5,808,326	5,808,326	0
Place funding PRUs	1,403,233	1,154,916	248,317
Topup Early Years	200,000	191,000	9,000
Topup Primary schools & ARPs	2,029,186	1,810,244	248,942
Topup Secondary schools & ARPs	600,000	765,000	(165,000)
Topup Specials Schools	7,700,000	6,550,000	1,150,000
Topup PRUs & Alternative Provision	1,331,417	1,000,000	331,417
Topup non-maintained, Indpt & FE	3,153,000	3,204,783	(51,783)
Additional HN targeted – exceptional circumstances	85,000	74,390	10,610
SEN Support Services	1,204,033	1,204,033	0
Other Alternative Provision – home & hospital tuition	165,000	165,000	0
Support for Inclusion (Outreach provision)	150,000	120,000	30,000
Carbon Reduction - PRUs	10,000	10,000	0
Admissions, Forum, Licensing	8,714	8,714	0
Capital - SEN Review	1,500,000	0	1,500,000
Total Expenditure	26,165,404	22,796,406	3,398,998

6. 2015/16 Early Years Monitoring

- 6.1 The Early Years budget and projected expenditure, as at January 2016, is shown in **Table 3** below:

Early Years Expenditure 2015/16	Budgets as reported on Section 251 (£)	Updated Budget 2015/16	Projected Expenditure as at Jan '16 (£)	Projected Balances for 2015/16 (£)
EY 2yr old entitlement	2,875,320	3,196,104	3,196,104	0
EYSFF 3 & 4 yr old	10,595,950	10,595,950	10,360,445	235,505
EY 3 & 4 yr old Pupil Premium	381,579	381,579	288,250	93,329
EYSFF Contingency	300,000	300,000	300,000	0
Early Years central team	460,000	460,000	460,000	0
Est. Trajectory funding from 14-15	1,100,000	1,211,400	412,272	799,128
School Readiness Project	1,000,000	1,000,000	48,218	951,782
Creation of 2 Year Old Places - capital	2,200,000	2,200,000	1,250,000	950,000
School Admissions	16,805	16,805	16,805	0
Schools Forum	1,035	1,035	1,035	0
Central Licensing Charge	13,032	13,032	13,032	0
Total Expenditure	18,943,720	19,375,905	16,346,161	
Final DSG Income	19,228,578	19,228,578	19,228,578	
Balance to Final DSG Income	284,858	(147,327)	2,882,417	

7. Financial implications/Value for Money

- 7.1 Taking account of previous decisions by Schools Forum to allocate / utilise a large proportion of the surplus, the overall balance will continue to be regularly reviewed to ensure appropriate use in a timely manner.

8. Legal Implications

- 8.1 No issues directly arising from this report.

9. School Improvement

- 9.1 No issues directly arising from this report.

10. Members eligible to vote

- 10.1 This item provides an update on the financial position and no vote is required.