



Dedicated Schools Grant

Report to: Schools Forum

Date: 27 September 2011

Subject: Dedicated Schools Grant

Contact: Dan Mortiboys: MortiboysD@walsall.gov.uk
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Purpose of the report: To seek approval from Schools Forum for the dates regarding the discussion around Dedicated Schools Grant (DSG) allocations and usage for 2010/11 and 2011/12 that will be reported to the Department of Education. The report also informs that Grant Thornton, the council's auditors, were satisfied with the 2010/11 DSG statement.

Recommendations: That Schools Forum endorses the final deployment of the DSG for 2010-11 and the DSG budget for 2011-12.

1. Background

- 1.1. All councils are asked to return 3 statements to the DfE on an annual basis (**Appendix 1**). As Walsall council does not receive the London Pay Addition Grant then responses are only required on Deployment of DSG: Outturn 2010/11 and allocation of DSG budget 2011/12.
- 1.2. The Chief Finance Officer (CFO) of Walsall Council (James Walsh) has to sign these 2 statements on behalf of the council (**Appendix 2 and 3**). This report covers the points that the CFO will be signing for.

2. 2010-11 DSG (Appendix 2)

- 2.1. The CFO confirms that the DSG was correctly deployed
- 2.2. The CFO attaches a copy of the note that was included in Walsall council's statement of accounts (**Appendix 4**).
- 2.3. The CFO has to confirm that the audit undertaken by Grant Thornton had no adverse statements. There were no adverse statements. The report can be accessed here <http://www2.walsall.gov.uk/CMISWebPublic/Meeting.aspx?meetingID=1660>
- 2.4. The CFO also has to state that the final deployment of DSG was in line with allocations agreed with the Schools Forum on a specified date. On September 28 2010 the following report summarised the level of DSG that would be received <http://www2.walsall.gov.uk/CMISWebPublic/Binary.ashx?Document=9298>.
- 2.5. Walsall council is therefore proposing to report that **28 September 2010** was the applicable date.

3. 2011-12 DSG

- 3.1. The note to be signed by the CFO with respect to the 2011-12 budgeted DSG contains the following paragraph: 'I, James Walsh confirm that the final 2011-12 DSG allocation of £195.750m notified by the Department to this Authority on 13 July 2011, and modified by any positive or negative DSG balance brought forward from 2010-11, will be fully allocated in support of the Schools Budget in 2011-12. The final budgeted allocation of the DSG was discussed with the Schools Forum on a specified date.'
- 3.2. Walsall Council is proposing that **27 September 2011** should be the applicable date.
- 3.3. **Appendix 5** shows the summary of DSG published by the department on 13 July 2011. This shows a very high level of accuracy in forecasting pupil numbers and subsequently DSG.

4. Recommendations.

- 4.1. Schools Forum is asked to approve the use of 28 September 2010 for the 2010/11 DSG outturn.
- 4.2. Schools Forum is asked to approve the use of 27 September 2011 for the 2011/12 DSG budget statement.
- 4.3. Schools Forum is asked to note that Grant Thornton have made no adverse statements regarding the 2010/11 DSG expenditure
- 4.4. Schools Forum is asked to note the very high level of accuracy in forecasting pupil numbers.

Department for Education

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To all
Chief Finance Officers
of Local Authorities in England
in receipt of the
Dedicated Schools Grant
and the
London Pay Addition Grant

17 August 2011

Dear Colleague

Dedicated Schools Grant Chief Finance Officer's Statement:

- (1) Deployment of the Dedicated Schools Grant: Outturn 2010-11**
- (2) London Pay Addition Grant 2010-11**
- (3) Allocation of the Dedicated Schools Grant Budget 2011-12**

1. The Department is now asking Local Authorities for information in relation to the deployment of the Dedicated Schools Grant for the Outturn period of 2010-11 and the Budget period of 2011-12. We are also asking those LAs in receipt of the London Pay Addition Grant 2010-11 to confirm the deployment of the Grant. Please find attached **three** CFO statements we are asking you to carefully consider and then to sign on behalf of your Local Authority. **On signing the three statements:**

DSG Outturn 2010-11

- i. You are confirming that the Dedicated Schools Grant received by your Authority in 2010-11 was fully deployed in support of the Schools Budget in accordance with the conditions of grant and the School Finance (England) Regulations 2008. Also attached is an explanatory note on the DSG Outturn CFO statement. In addition, I attach a copy of CIPFA's guidance note on the completion of the Authority's Note to the Accounts (NTA) for the DSG.
- ii. As you know, the Outturn Statement is now formally linked with the Note to the Local Authority's accounts concerning the DSG, and you are asked to confirm that the audited Note correctly states the deployment of the DSG. A copy of the completed NTA should be submitted to the Department

along with the signed CFO statement. In the (unlikely) event that you do not agree the contents of the NTA, you should submit a corrected version of the Note with an explanation of how the discrepancy arose, and make an appropriate manuscript change to the Statement.

iii. You will also need to ensure that there are no adverse comments that relate to the DSG in the Authority's 2010-11 audited statement of accounts. In addition, you will need to ensure that there are no adverse comments in other supporting external audit correspondence. If adverse comments were made and if there is any other supporting audit correspondence, then copies should be sent to the Department.

The signed Outturn 2010-11 CFO Statement plus Notes to the Authority's account for the DSG together with any additional documentation should reach Marcia Richards by Monday, 31st October 2011.

London Pay Addition Grant 2010-11

v. You are confirming that the London Pay Addition Grant received by the Authority in 2010-11 was fully deployed in support of the schools budget.

The signed CFO Statement for the LPAG should be returned to Marcia by Monday, 31st October 2011.

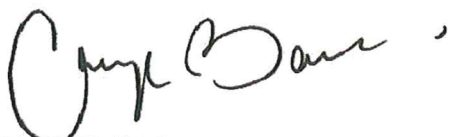
DSG Budget 2011-12

iv. You are confirming that the final 2011- 12 Dedicated Schools Grant allocation notified by the Department on 13th July 2011, and modified by any positive or negative DSG balance brought forward from 2010-11, will be fully allocated in support of the Schools Budget in 2011-12 or 2012-13.

The signed Budget 2010-11 CFO Statement should reach Marcia by Friday, 30th September 2011.

2. Marcia or I would be happy to answer any questions not covered by this letter, the statements or the guidance notes. It would be helpful if initial enquires could be sent via email which we will follow up with a telephone call. We will of course be in touch to discuss any discrepancies identified as part of our following up scrutiny.

Yours sincerely



Cheryl Bailey
Funding Policy Unit



Department for Education

OUTTURN 2010-11 DSG CFO STATEMENT

Appendix 2

James Walsh

335 Walsall

Chief Finance Officer's Statement confirming the actual deployment of the Dedicated Schools Grant (DSG) in support of the Schools Budget (grant condition B)

I, James Walsh confirm that the DSG received by this authority in 2010-11 was fully deployed in support of the Schools Budget, or services for making provision for pupils registered at academies with low incidence special educational needs or disabilities, in accordance with the conditions of grant and the School Finance Regulations 2008.

I confirm that the audited Note to the Accounts concerning the DSG gives a correct statement of how the DSG was deployed. I attach a copy of this Note which has been completed in line with CIPFA's Code of Practice on Local Authority Accounting in the United Kingdom.

I also confirm that there were no adverse statements in the Authority's audited 2010-11 Statement of Accounts regarding regularity or propriety.

The final deployment of the DSG was in line with allocations agreed with the Schools Forum on

***This date should refer to the Schools Forum discussion following the receipt of the final DSG allocation which should have taken place after 1 July 2010.**

Signed.....

James Walsh
Chief Finance Officer

Date.....

The signed statement should be returned by **Monday, 31 October 2011 to:**

Marcia Richards
Department for Education
Funding Policy Unit (4th Floor)
Sanctuary Buildings
Great Smith Street
London SW1P 3BT



Department for Education

Appendix 3

BUDGET 2011-12 DSG CFO STATEMENT

James Walsh

335 Walsall

Chief Finance Officer's Statement confirming the budgeted allocation of the Dedicated Schools Grant 2011-12 in support of the Schools Budget (grant condition B)

I, James Walsh confirm that the final 2011-12 DSG allocation of £195.750m notified by the Department to this Authority on 13 July 2011, and modified by any positive or negative DSG balance brought forward from 2010-11, will be fully allocated in support of the Schools Budget in 2011-12 or 2012-13.

The final budgeted allocation of the DSG was discussed with the Schools Forum on

***This date refers to the Schools Forum discussion following notification of your LA's final DSG allocation and should be after 13 July 2011.**

Signed.....

James Walsh
Chief Finance Officer

Date.....

The signed statement should be returned by **Friday 30th September 2011** to:

Marcia Richards
Department for Education
Funding Policy Unit (4th Floor)
Sanctuary Buildings
Great Smith Street
London SW1P 3BT



SUMMARY OF NOTIFIED DSG COMPARED TO LOCAL ESTIMATE

	LOCAL ESTIMATE	FINAL NOTIFIED BY DfE
Pupils to be used in the Dedicated Schools Grant 2011-12:		
A. Pupils from Schools Census, SLASC & PRUC 2011 (FTE)	41,828	41,828
B. Pupils from Alternative Provision 2011 (FTE)	34	34
C. Pupils from Early Years Census 2011 (FTE)	405	404
D. Adjustment to fund at least 90% of projected 3 year old population (FTE)	0	0
E. Total pupils for the 2011-12 Dedicated Schools Grant (A + B + C + D)	42,267	42,267
 Calculation of Final Dedicated Schools Grant 2011-12		
F. Adjusted 2010-11 DSG baseline (£m)	217.079	217.079
G. 2011-12 Guaranteed per pupil unit of funding (£)	5,131.27	5,131.27
H. 2011-12 Final DSG Before Cash Floor (£m) (G * E)	216.883	216.883
I. Extra cash floor payment to ensure allocation falls by no more than 2% (£m)	0.000	0.000
J. 2011-12 cash amount to remove for Academies which opened in 2008-12 (£m) ¹	0.000	21.133
 L. Final 2011-12 DSG Allocation (£m) BEFORE ACADEMY RECOUPMENT	216.883	216.883
 Final 2011-12 DSG Allocation (£m) AFTER DfE ESTIMATED ACADEMY RECOUPMENT		195.750

subject to change

Appendix Four

The below table summarises the DSG in the format required by the DfE:

Dedicated Schools Grant (DSG)	Central Expenditure £m	ISB £m	2010/11
			Total £m
Final DSG for year	(17.467)	(157.541)	(175.008)
Plus brought forward from previous year	(1.103)	0.000	(1.103)
Less carry forward to next year agreed in advance	0.000	0.000	0.000
Agreed budgeted distribution in year	(18.570)	(157.541)	(176.111)
Less actual central expenditure	18.094	0.000	18.094
Less actual ISB deployed to schools	0.000	157.541	157.541
Plus local authority contribution in year	0.000	0.000	0.000
Carry forward to next year	(0.476)	0.000	(0.476)