



## Schools Funding Forum 10<sup>th</sup> May 2018

## ITEM 5

**Subject Heading:**

**Dedicated Schools Grant – Year End  
Balance 2017-18**

**Report Author:**

**David Allen – Strategic Finance  
Manager**

**Eligibility to vote:**

**All members**

<b>SUMMARY</b>
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This report sets out the year end position on expenditure from the Dedicated Schools Grant in 2017-18 and to agree the use of the balance in 2018-19.

<b>RECOMMENDATIONS</b>
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That the Schools Funding Forum:

- (i) notes the areas of under or overspend from the 2017-18 Dedicated Schools Grant
- (ii) agrees the allocation of the balance in financial year 2018-19 as set out in the proposals below

<b>REPORT DETAIL</b>
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### **1. Balance carried forward from 2017-18**

The carry forward balance from centrally retained DSG from 2017-18 into 2018-19 is £948,887.

<b>Funding Block</b>	<b>£000</b>
Early Years Block	193
High Needs Block	(296)
Schools Block	1,031
De-delegated	21
<b>Total</b>	<b>949</b>

## **2. Further explanation and proposals for allocation in 2017-18**

### **2.3 Early Years**

There were a number of factors that contributed to this underspend:

<b>£000</b>	<b>Reason</b>
100	Balance of DFE grant for 2, 3 & 4 year olds and 30 hour take up.
93	Central costs. Vacancies and transfer of costs.
193	

#### **Proposal**

The DFE adjusts the grant allocation for each financial year in the following June or July and it is recommended to hold this underspend as an unallocated sum until the adjustment is made. Also, because the spring 2018 census closed late, there will still be adjustments to be made to funding allocations to providers for the spring term (financial year 2017-18).

The underspend on central costs is available to meet other pressures within the DSG. For example, the LA is currently exploring options to improve the collection of census data from providers.

### **2.4 High Needs**

There is considerable volatility in the costs of special education provision and this overspend is the net balance across a range of placements in schools and the independent sector. A full report will be provided at a future meeting.

#### **Proposal**

It is proposed to balance this overspend from underspends in the Schools Block as below and to add a contingency to the budgets already set from the 2018-19 High Needs funding block.

## 2.5 Schools Block

There is a limited range of central activities for which funding may be retained centrally. The funding for these areas was agreed by the Schools Funding Forum at the meeting held on 27<sup>th</sup> September 2017.

### 2.5.1 School Admissions

Budget	£499,730
Expenditure	£488,976
Variance	£10,754

### 2.5.2 Servicing of Schools Forum

Budget	£43,250
Expenditure	£42,295
Variance	£955

### 2.5.3 Capital Expenditure from Revenue

Budget	£87,490
Expenditure	£99,583
Variance	-£12,093

### 2.5.4 School Partnership Fund

Budget	£200,000
Expenditure	£55,987
Variance	£144,013

Details of expenditure relating to schools are exempt from publication.

### 2.5.5 Falling Rolls Fund

Budget	£500,000
Expenditure	£246,520
Variance	£247,020

Allocation of funding	£
2 Primary schools with falling rolls in reception and year 1	60,433
1 Secondary school with falling rolls in year 7 and 8	186,087

### 2.5.6 Pupil growth Fund

Budget	£2,700,000
Expenditure	£2,137,959
Variance	£562,041

<b>Primary schools</b>	£
New permanent expansions. 3 schools 1 f.e. each	135,787
1 bulge class for 30 pupils in September 2017	45,262
Permanent expansions moving through the year groups - 17 schools, funding of 435 additional places (14.5 forms of entry)	822,920
Deprivation supplement	11,497
Commitment to schools for unfilled bulge classes from previous year	948,427
Allocations to meet infant class size regulations	38,796
<b>Secondary schools</b>	
Permanent expansions moving through the year groups - 4 schools Funding of 88 additional places (3 forms of entry)	135,270
<b>Total</b>	<b>2,137,959</b>
Budget	2,700,000
<b>Underspend</b>	<b>562,041</b>

### 2.5.7 Unallocated contingency

Budget	£78,072
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<b>Schools Block Underspend</b>	<b>£1,030,761</b>
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## Proposal

- (i) To balance the overspend of £296,034 in the High Needs Block from 2017-18 to reduce the pressure in that area in 2018-19.
- (ii) To carry forward £50,000 from the £144,013 School Partnership budget as a contingency for the Havering Academy of School Leadership.
- (iii) To retain the remaining balance of £684,727 as an unallocated contingency to support high needs pressures in 2018-19 and to provide sufficient funding to implement the national funding formula in 2019-20.

## 2.6 De-delegated budgets

The budgets that were de-delegated from maintained primary and secondary schools were for the following:

Service	Budget £000
General insurance	426
Maternity cover	473
EAL service	148
Attendance & Behaviour Service	201
Free school meal eligibility service	18
Support for schools in financial difficulty	212
Trade union facility time	47
<b>Total</b>	<b>1,525</b>

Overall, these budget areas balanced at year end with the exception of an underspend of £21,058 in the budget for trade union facility time due to vacancies for trade union representatives.

## Proposal

To carry the £21,058 forward to add to the 2018-19 budget for trade union facility time with consideration given by the trade union representatives on how it should be best used in the provision of support to schools.