

DARLINGTON SCHOOLS FORUM

19th May 2015

ITEM NO 5

BUDGET UPDATE 2014/15

Purpose of Report

1. To update Forum regarding the final 2014/15 Dedicated School Grant (DSG) position.

Background

2. School Forum was presented with an updated budget position of £28,252,317 at their March meeting. There has been no change to the budget since that meeting.

Updates

3. Appendix 1 shows the final year end position of as a underspend of £2,238,480 for 2014/15. Forum have previously agreed that the underspend on two year old places, the 2013/14 Schools underspend and the 2013/14 underspend on 3 and 4 year old funding would be ring fenced and carried forward for use in the 2015/16 funding formula. Once these committed savings are extracted the underspend for 2014/15 is £369,221.
4. Forum were presented with a projected saving of £206,635 at their March 2015 meeting, therefore the final budget position improved by £162,586. The following paragraphs outline the main changes between the projected and final budget position.
5. School Nurseries, underspent by an additional £52,000 on projection due to a lower number of children on roll within school based nurseries than budgeted for the spring term.
6. Individual Learning Support (ILS), underspent by an additional £39,000 on projection due to lower numbers of children been assessed with additional needs during the final term of the financial year than in previous terms.
7. SEN Out of Borough, this budget was projected to be overspent by £315,000, the final outturn was an overspend of £388,123, therefore approximately £73,000 more than projected. This increase in overspend resulted from additional placements, increased costs due to placement moves and increased costs over those estimated (a number of children's costs were unknown at the time of the last Forum).
8. Private Finance Initiative, a lower contribution was required from the DSG toward the costs of the scheme due to lower utility and other scheme running costs.
9. The total underspend on two year old funding for 2014/15 was £752,561 which included approximately £129,000 of underspend from 2013/14. It was always known that this budget would have a large underspend as the number of children accessing two year old provision during 2014/15 was lower than the amount of funded places. Forum have

previously agreed to ring fence the two year old underspend for two year old provision in order to maintain payment rates and until future years funding levels are known (see agenda item 6).

Recommendations

10. That Forum notes the content of this report.

**Brett Nielsen
Finance Manager,
Resources Department**