

DARLINGTON SCHOOLS FORUM

7th October 2014

ITEM NO 3

BUDGET UPDATE 2014/15

Purpose of Report

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

Background

2. School Forum was presented with an updated budget position of £28,330,311 at their June meeting. This budget included carry forward of £2,029,132 from 2013/14.

Updates

3. Since the last Forum, the Education Funding Agency (EFA) have updated the allocation of Dedicated Schools Grant (DSG) for Darlington to £26,271,000 for 2014/15. This represents a decrease of £77,994 on the previous allocation. This decrease results from an update of the early years block following adjustment to the pupil numbers taken from the January 2014 census. The total funding available in 2014/15 is £28,252,317. This is broken down in the attached table.

	£
DSG Allocation	26,271,000
Less DSG 13/14 Adjustment for final early years	(47,815)
Carry forward DSG from 13/14	2,029,132
Total	28,252,317

4. The reduction in the DSG allocation for the early year's census has been taken from the 3&4 year old nursery budget.
5. Appendix 1 shows the current projected year end position regarding the 2014/15 budget. As the figures are projected, a number of these projections will be subject to change during the year based on activity. Budgets with a variance are detailed in the following paragraphs.
6. School Nurseries, this budget is projected to be underspent by approximately £115,000 which is based on payments to date and estimated places in the autumn and spring terms. This projection will change dependent on the actual children in 3&4 year old nursery places in schools in the final two terms of the financial year.
7. The budget for Individual Learning Support (ILS) is shown as on target based on previous year's expenditure. Expenditure in this budget line is made following the

assessment of children within primary schools regarding additional/special need, requiring top up payments. Therefore the final spend will be dependent on actual assessments undertaken.

8. Voluntary/trust admissions, this budget is showing an overspend of £15,000. This is based on the decision at June Forum to allocate £20,000 for admission appeals.
9. School Transport, Forum have previously agreed that underspend in this budget line will be rolled forward for future years transport requirements, hence this budget line is shown as fully spent.
10. Licenses, this budget will be underspent by £7,502 as all payments for 14/15 have now been made.
11. Pupil Growth Fund. At the time of writing no payments have been made regarding increases in school placements (in line with the agreed policy for this budget) for the September intake, as final pupils numbers are being collated, hence this budget is being shown as fully spent for now. Final expenditure will be reported to Forum at their January meeting.
12. The variances identified for the Resource Base Units, Beaumont Hill and Marchbank are based on the current numbers of children within these schools. Those units that are showing overspends are where additional children have been placed over the original commissioned places. As with all demand led budgets, the final expenditure will be dependent upon the actual occupancies during the autumn and spring terms.
13. High Needs Contingency, this budget is shown as unspent as it offsets pressures in other high needs budget lines.
14. SEN out of Borough Placements, this budget is shown as on target based on the current number of children in placements. As with other budgets the year end position will alter dependent on changes in placements during the rest of the financial year.
15. Nursery Funding (PVI), this budget is shown as been on target based on the summer term payment. As Forum will be aware the actual spend will be dependent on the actual number of children in settings at the autumn and spring term head counts. The year end position is therefore subject to change.
16. 3&4 year old nursery carry forward is shown as underspent as it is not expected that any of this funding will be required in 14/15 (i.e. both the PVI and school 3&4 year old budgets are projected to be on target/underspent in 14/15). Any unused budget at the yearend will be allocated to the early years funding formula for 15/16.
17. 2 year old funding, it is expected that this budget will be underspent at the year end based on the number of two year old children in placements during the year to date. However, as in previous years this budget is shown as fully spent, as any underspend will be rolled forward for two year old funding in future years.
18. Individually Assigned Resources, this budget is showing an overspend of approximately £40,000. This will be the final outturn position, as no further payments will be made from this budget. The budget is overspent as the number of assessed children requiring top up

funding in primary schools at the start of the financial year was more than the budgeted amount. The budget was set in January 2014, however a number of additional assessments were made during the spring 14 term (i.e. more than estimated) which increased the budget requirement.

19. School Forum Commissioning Post, this budget is projected to be underspent by £15,000 based on the post holder coming into post after the beginning of the year.
20. The unallocated schools budget (carry forward from 13/14) is shown as underspent and is to be allocated through the 15/16 funding formula (see agenda item 4).
21. LAPP budgets, the three area budgets are all shown as being on target at this time, however the actual expenditure on two of these budgets is currently minimal. It is therefore expected that at the year-end that savings will be made within these budgets.
22. The overall budget position shows a projected underspend of £1,273,444. As previously noted the unallocated budget is earmarked for distribution within the 15/16 funding formula and the savings on nursery budgets are earmarked for future year's nursery payments. When the projected savings in these areas are removed from the total (£1,231,385) the revised projected position for the year is a saving of £42,059. Therefore it is expected that the current year budget will be within resource meaning that the earmarked carry forwards can roll forward as planned.
23. Forum will be presented with updates on the budget position at all their meetings.

Recommendations

24. That Forum notes the content of this report.

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