



# Northumberland County Council

## Agenda Item 7

### SCHOOLS' FORUM

12th February 2020

#### 2019/20 DSG Monitoring - December 2019 position

	Budget Dec 2019	Year end forecast	Year end variance
	£m	£m	£m
<b>Central Schools block</b>	3.128	3.279	0.151
<b>Early Years block</b>	17.046	16.991	(0.055)
<b>High Needs block</b>	30.349	31.609	1.260
<b>Schools block</b>	85.885	85.294	(0.591)
<b>Total DSG</b>	<b>136.408</b>	<b>137.173</b>	<b>0.765</b>

Note:

- The Annual budget is based upon the latest DSG allocations issued by the DfE in November 2019, this adjusted the Schools Block allocation to take account of the conversion of 9 schools into the Tyne Learning Trust (a reduction in grant of £4.6 million).
- The overall DSG year-end deficit from 2018-19 was £1.236 million, however additional 2018-19 funding was received in July relating to the Early Years block of £0.087 million and it was agreed this would be used to further reduce the deficit carried forward.

The allocation of DSG for 2019-20 is £232.7m, of this £95.2m is deducted at source and passed on to Academies and for the direct funding of High Needs places and a further £1.1 million is used to meet the deficit brought forward from 2018-19, leaving £136.4 million which is available for the council to utilise.

As at December 2019, there is an overall forecast overspend of £0.770 million, this has increased by £0.121 million since the September report due to increases in the overspend on Independent Special School and Alternative Provision places, offset by a refund of budget relating to the closure of Haltwhistle Upper School.

### **Central Schools Block**

There is a forecast overspend of £0.151 million due to:

- There is a forecast overspend of £0.129 million on independent school places for children without an EHCP. This is due to five children placed in an independent setting due to social care needs with one additional placement which started in December.

### **Early Years Block**

The service is currently expected to underspend by £0.55 million on staffing and operational costs of the central Early Years team. Funding for the year is based upon the average of the January 2019 and January 2020 headcount, once this data is available we expect to be able to estimate a year end position more accurately.

### **High Needs Block**

There is a forecast overspend of £1.260 million due to:

- There is a forecast overspend of £0.524 million which is the shortfall between the deficit carried forward onto the High Needs block from 2018-19 less those reductions to budget that we have been able to identify in 2019-20 to meet this amount.
- There is a forecast overspend of £0.539 million on special school sixth form funding. From August this funding was transferred into the DSG High Needs block, however this was not incorporated into the High Needs Budget plan at the beginning of the year and no funds were set aside for this purpose. We will re-align the High Needs block to rectify this matter from 20-21 onwards.
- There is a forecast overspend across Independent special schools of £0.329 million. This position has been updated for the December report in light of any changes to placements from the Autumn term. There are currently 186 placements across a range of providers including schools and alternative provision, this is an increase of 14 since September 2018.
- There is a forecast overspend on the cost of alternative provision of £0.249 million based upon an additional 5 children each month to add to the current number of 140 as at December 2019 (115 in Sept 2019). Additional staffing has been recruited to further support schools and try and prevent and reduce future exclusions.
- There is a predicted underspend of £0.248 million across EHCP/STAR funding to all sectors based upon numbers as at the autumn term.
- There is an overall expected underspend of £0.162 million across SEND support services and the Virtual School largely due to staff vacancies following several members of the service leaving under the voluntary severance scheme.

## **Schools Block**

There is a forecast underspend of £0.591 million due to:

- The Schools contingency budget has increased following the closure of Haltwhistle Upper School and the authority receiving a refund of the budget share from September 2019 - March 2020. There are currently no commitments other than to pick up any outstanding costs relating to the schools that closed during 2018-19. An additional £0.1 million has been agreed by School Forum to support further work with schools on Inclusion, in an attempt to prevent the number of excluded pupils rising.

**Abigail Russell**  
**Principal Accountant**  
**06 February 2020**