

SCHOOLS' FORUM

12 July 2017

DSG Outturn 2016-17

1. Purpose of the Report

This report provides a breakdown of the Dedicated Schools Grant (DSG) outturn position for 2016/17 to School Forum members, together with the implications of the outturn and other cost pressures on the 2017/18 DSG budget

2. Recommendations

Schools Forum is asked to:

- 1) Approve that the overspend on the DSG for 2016/17 will have the first call on the DSG settlement for 2017/18
- 2) Agree to a review of High Needs funding policies for implementation in April 2018

3. Background

At the Schools Forum meeting in January 2017 the budgets for each block within the DSG were set, with details for the Early Years the High Needs blocks being agreed at the meeting in February 2017.

- Schools Block £178,331,958
- Early Years Block £ 15,465,736
- High Needs Block £ 27,818,548

The Schools Block budget is gross and does not include Academy recoupment.

4. Outturn Position 2016/17

- 4.1 Across the three DSG funding blocks (Schools, Early Years and High Needs) the overall outturn position is £1.727m deficit to be carried forward into 2017/18. This deficit is the first call on the DSG allocation for 2017/18.
- 4.2 The breakdown by funding block is shown in the table below.

DSG Out-turn 2016-17	£	
Schools Block		
Union - Supply Cover -	9,428	
Working with Schools (Academy conversion costs)	20,137	
Pupils Free School Meals	-1,139	
Schools non delegated DSG (Termination of Employment Costs, Boarding Fees, Longridge Towers fees and Prudential Borrowing)	-32,422	
Admission and Supply of School Places	0	
Behaviour Support -	50,863	
EAL	2,287	
SEN Home To School Transport	3,312	
Schools Forum	-2,023	
Total Schools Block	50,443	Overspend
High Needs Block		
PRU - Carbon reduction commitment	-400	
Equalities and Schools	-6,040	
Education Provided Other Than At School	214,600	
Independent Special Schools	849,438	
Top Up Funding (incl payments to FE colleges and OLA)	933,745	
Education Psychology	-43,930	
Communication	-73,855	
ASD & SEMH	-18,727	
Pre School Special Education	-6,903	
Sensory Support Service	7,915	
Education for Looked After Children	13,263	
Education Welfare Service	2,952	
Inclusion	-142,889	
Total High Needs Block	1,729,16	8 Overspend
Early Years Block		
Childcare Partnership - Early Years Consultants	-49,073	
Free Early Learning and Childcare (2Year Olds) Grant	-124,270	
Childcare Partnership - Childcare Sustainability and Places	-56,327	
Funding for 3 and 4 year old children	136,710	
Clawback on Early Years grant	40,892	
Total Early Years Block	-52,069	Underspend
Difference in EFA funding	5	
TOTAL DSG Budget Allocation	1,727,54	7

5. Pressures for 2017/18

5.1 The deficit of £1.727m must be incorporated into the DSG budget for 2017/18. In addition there are some in-year adjustments, which will impact on the deficit :

● 7 SEN places omitted at Berwick Middle school	70,000
● Reduction in Copyright Licensing charge	-49,314
● Overfunding in respect of Rates relating to previous years	-101,702
	<u>-81,016</u>

5.2 Following on from the Consultation with Schools Forum on the Proposed Savings within the DSG it was agreed at Schools Forum in February 2017 to implement a new Service Level Agreement (SLA) for 5 of the SEND specialist services, effective from September 2017. The services included within the SLA were:

- Education Psychology
- Speech and Language service
- Literacy /Dyslexia service
- Autism service
- Behaviour Support service

The key objective was to generate sufficient SLA income to eliminate the overspend within the High Needs Block, within a 2 year period, whilst maintaining services at current capacity levels and to release funding for growth of specialist provision places.

5.3 The level of take up of the SEND SLA has been low and has generated less than half of the anticipated SLA income. The impact of this lower level of SLA income on overspend reduction needs to be assessed and a revised strategy introduced.

5.5 The Northumberland High Needs funding policy will need to be reviewed and updated to take account of changed financial context and affordability. This will be conducted between Summer 2017 and Spring 2018, with implementation by September 2018.