

**Agenda Item: 7**

## SCHOOLS' FORUM

**27 September 2017**

### DSG Monitoring 2017/18

**1. Purpose of the Report**

This report provides an analysis of the Dedicated Schools Grant (DSG) at 31 July 2017, together with the implications of for the 2017/18 DSG budget

**2. Recommendations**

Schools Forum is asked to read the report and the additional detail at Appendix A before the meeting and come prepared to table any questions, either in advance or at the meeting.

**3. Background**

The DSG budget for each of the blocks, Schools, High Needs and Early Years were approved at the Schools Forum meeting on 16 January 2017.

**4. Schools Block**

As at 31 July 2017 the Schools Block is forecast to underspend by £43k by 31 March 2018. This underspend can be attributed to:

Area	Reason	
Behaviour Support	Attributable to an over optimistic prediction of sign up for the Behaviour Support SLA	£132,000 overspend
Schools non delegated:		
<ul style="list-style-type: none"> <li>• Boarding Fees</li> <li>• Copyright Licensing</li> <li>• Admissions</li> <li>• Recharges</li> </ul>	<ul style="list-style-type: none"> <li>Underspend due to closure of Ridley Hall</li> <li>Budget over estimated</li> <li>Staffing vacancy</li> <li>Refund of rate rebate for 2 schools</li> </ul>	<ul style="list-style-type: none"> <li>£ 19,800 underspend</li> <li>£ 48,492 underspend</li> <li>£ 5,180 underspend</li> <li>£101,703 underspend</li> </ul>

## 5. High Needs Block

As at 31 July 2017 the High Needs Block is forecast to overspend by £2.978m by 31 March 2018. This overspend includes the 2016/17 deficit of £1.727m. The in-year overspend can be attributed to a number of pressures, as shown in the table below :

Service Area	Reason	
Inclusion	Increase in the number of permanent exclusions	£160,000 overspend
Independent Special Schools	Increase in placements numbers	£561,320 overspend
Top Up funding	Increase in numbers of pupils being supported	£216,750 overspend
Communication Support Team	Due to overly optimistic prediction of Communication Services SLA sign up	£335,000 overspend
ASD & SEMH Support Team	Due to overly optimistic prediction of ASD & SEMH Services SLA sign up	£139,000 overspend

## 6. Early Years Block

As at 31 July 2017 the Early Years Block is forecast to underspend by £26,350k by 31 March 2018. This underspend is due to staffing vacancies within the team

## 7. Conclusion

Expenditure within the High Needs Block continues to be a serious cause of concern. A review of Top Up funding and high needs places is being conducted. There are plans to expand current specialist provision within Northumberland from September 2018 which should reduce the need for some out of county placements.

However it is inevitable that we will have to save costs from SEND services (Behaviour Support, Communication and ASD/SEMH) and recoup funding from the Schools Block, up to a maximum of 0.5%. If the current position remains the same it will take up to 4 years to reduce the deficit.

We are also in the process of reducing our contribution to jointly commissioned services with children's social care, including:

- Contribution to combined services – Barndale (short breaks respite)
- Contribution to social care Out of County budget
- Contribution for social workers within the Portage budget
- Contribution for social worker within the Equalities and Traveller Education budget.

A proportion of these costs will have to be re-allocated to the Council's core social care budget from April 2018.

## Appendix A

DSG Monitoring at 31 July 2017					
	£	£	£	£	
	Estimate 2017/18	Profiled Estimate 2017/18	Actual spend to 31/07/17	Forecast Outturn	Forecast over/under spend
<b>SCHOOLS BLOCK</b>					
Schools Budgets	112,875,680	-	-	112,875,680	0
<b>De-delegated Budgets</b>					
Union - Supply Cover	69,400	28,660	4,956	69,400	0
Working with Schools (Academy conversion costs)	69,000	23,000	28,959	69,000	0
Pupils Free School Meals	14,410	27,280	34,480	14,410	0
Behaviour Support - EAL	215,500	71,156	140,846	347,500	132,000
EAL	38,850	12,944	12,944	38,850	0
Contingency Fund (School Closures)	515,910	-	-	515,910	0
<b>Other Centrally Retained Budgets</b>					
Termination of Employment Costs	550,000	183,332	183,582	550,000	0
Boarding Fees	19,800	6,600	-	0	-19,800
Longridge Towers	149,760	49,920	86,674	149,760	0
Contribution to Combined Services	504,830	504,830	504,830	504,830	0
Prudential Borrowing	755,000	-	-	755,000	0
Copyright Licensing	290,970	-	242,478	242,478	-48,492
Estate Management	131,430	43,808	131,430	131,430	0
ESG Recharges	439,810	146,600	439,810	439,810	0
Other Recharges	0	-	101,703	-101,703	-101,703
Admission and Supply of School Places	241,000	86,504	91,905	235,820	-5,180
SEN Home To School Transport	1,146,720	382,240	388,121	1,146,720	0
Schools Forum	8,430	6,632	6,453	8,430	0
<b>Total Schools Block</b>	<b>118,036,500</b>	<b>1,573,506</b>	<b>2,195,764</b>	<b>117,993,325</b>	<b>-43,175</b>
<b>HIGH NEEDS BLOCK</b>					
<b>Special schools and PRU Budgets</b>					
Equalities and Traveller Education	6,410,400	-	-	6,410,400	0
Pre School Special Education (Portage)	190,470	110,428	49,143	190,470	0
Education Welfare Service	370,980	201,972	94,991	370,980	0
Education Welfare Service	331,630	33,378	159,632	331,630	0
Inclusion	1,094,270	364,720	547,713	1,254,270	160,000
Education Provided Other Than At School	1,051,230	350,260	255,043	1,051,230	0
Education for Looked After Children	446,800	148,236	149,204	446,800	0
Independent Special Schools	3,353,850	1,117,948	1,574,469	3,915,170	561,320
Top Up Funding ( incl payments to FE colleges and OLA)	12,239,550	1,158,140	4,020,820	12,456,300	216,750
Overspend b/fwd from previous year	0	-	1,727,550	1,727,550	1,727,550
Education Psychology	328,060	109,308	225,623	328,060	0
Communication	421,890	140,584	286,059	756,890	335,000
ASD & SEMH	96,820	32,220	116,302	235,820	139,000
Sensory Support Service	866,870	288,220	299,991	866,870	0
<b>Total High Needs Block</b>	<b>27,202,820</b>	<b>3,988,658</b>	<b>9,506,541</b>	<b>30,342,440</b>	<b>3,139,620</b>
<b>EARLY YEARS BLOCK</b>					
<b>Schools Early Years Budgets</b>					
Childcare Partnership - Early Years Consultants	4,428,560	-	-	4,428,560	0
Childcare Partnership - Early Years Consultants	80,260	18,178	28,260	80,260	0
Free Early Learning and Childcare (2Year Olds) Grant	2,490,010	830,000	668,292	2,490,010	0
Childcare Partnership - Childcare Sustainability and Places	549,900	208,594	163,569	523,550	-26,350
Funding for 3 and 4 year old children	7,826,170	2,608,720	2,118,175	7,826,170	0
<b>Total Early Years Block</b>	<b>15,374,900</b>	<b>3,629,136</b>	<b>2,921,776</b>	<b>15,348,550</b>	<b>-26,350</b>
<b>Central Support Charges to Children's Services</b>	<b>851,490</b>	<b>-</b>	<b>-</b>	<b>851,490</b>	<b>0</b>
<b>TOTAL DSG Budget Allocation</b>	<b>161,465,710</b>	<b>9,191,300</b>	<b>14,624,080</b>	<b>164,535,805</b>	<b>3,070,095</b>