

REVENUE BUDGET OUTTURN REPORT 2015-16 – DEDICATED SCHOOLS BUDGET

Purpose of the Paper

1. To report on the outturn position for the dedicated schools budget in 2015-16.

Main Considerations

Outturn 2015-16

2. Appendix 1 shows expenditure as at 31st March 2016. The Dedicated Schools Grant (DSG) was overspent by £0.899 million at the end of the year, a decrease of £0.794m compared with the forecast at the end of January 2015.
3. There are a number of movements in the variance within the overall total and the January forecast is shown on the summary for comparison. The reasons for the key variances and the movements in the last two months of the year are outlined below.

Academy Recoupment

4. The final budget for 2015-16 has been adjusted to reflect all academy recoupment through the year, including part year adjustments for in-year converting schools. Adjustments to the costs of rates for individual schools that have converted during the year are now included in the expenditure figures and this has had a positive impact on the variance for the centrally held schools block.

Early Years

5. A further budget adjustment was made before the end of the financial year to reflect the impact of the January 2015 Early Years Census. This increased the early years' budget for 2015-16 by £0.268m.
6. The budget for 3 & 4 year olds shows an underspend of £0.555m following this adjustment, whilst the budget for the free entitlement for two year olds has overspent by £0.171m. Overall Early Years budgets have underspent by £0.390m.

High Needs Budgets (0-25 SEND Service)

7. Budgets within the 0-25 SEND Service were overspent by £1.855m which is in line with previous projections.
8. Expenditure on Independent Special School placements was higher than budgeted for and expenditure on placements in Independent Special Schools has increased by £1.040m, compared with the previous financial year.

9. Expenditure on Named Pupil Allowances (NPA) in mainstream schools was £1.130m higher than budget, an increase of £0.321m compared with the previous year, whilst top up payments in Resource Bases, Enhanced Learning Provision (ELP) and Special Schools were broadly in line with the budget. The continued overspend against the NPA budget would seem to be driven by the increase in numbers of pupils with statements/EHCPs that have previously been reported to Schools Forum.

Impact on the DSG Earmarked Reserve

10. Any under or overspend against the Dedicated Schools Grant is to be carried forward in to the following financial year. The overspend of £0.899 million will therefore need to be funded from the earmarked DSG Reserve. The table below sets out the position of the DSG Reserve as at the end of 2015-16.

DSG Reserve	£m
Balance brought forward from 2014-15	1.490
2015-16 Overspend	(0.899)
Balance to carry forward to 2016-17	0.591

Proposal

11. Schools Forum is asked to note the outturn position for the Dedicated Schools Budget in 2015-16.

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