

REVENUE BUDGET FINAL OUTTURN REPORT 2009/10 – DEDICATED SCHOOLS BUDGET

Purpose of the Paper

1. To report on the final outturn position for the dedicated schools budget.

Main Considerations

2. Appendix 1 shows expenditure as at 31st March 2010, the figures show an **underspend against DSG of £0.096 million**. This is an improvement on the projected overspend of £0.054 million projected at the end of January. There have been a number of movements in the position since the report in January and the main variances are outlined below.

Premature Retirement Costs

3. Premature retirement costs exceeded the budget by £0.157 million. Total expenditure on redundancies and early retirements in 2009/10 was £800,373 and related to 70 cases. Of that total, costs amounting to £380,884 were funded corporately as they arose from the additional cost of the current severance policy for non-teaching staff. A potential alternative model for funding PRC is being considered currently and proposals will be brought to a future meeting.

Maternity Costs

4. Maternity costs exceeded the budget by £0.292 million despite the maternity budget having been increased in 2009/10. Total spend was £1,114,020 for the year. This budget remains a key cost pressure for 2010/11.

Schools Contingency

5. The Schools Contingency budget underspent by £0.500 million. This was not projected during the year and arose at the year end due to rates adjustments, particularly in respect of schools which had changed status.

Special Educational Needs Services

6. The Independent Special Schools budget underspent by £0.243 million. The recoupment budget (for placements in other local authority special schools and non-school placements) also underspent by £0.137 million giving an overall underspend on placement budgets.
7. Expenditure on Named Pupil Allowances showed a small underspend of £0.083 million which reflects improved monitoring and increased consistency of allocation of NPAs during the year.

Young Person's Support Service

8. The YPSS overspent by £0.188 million in 2009/10. This overspend came to light late in the financial year for a number of reasons and has not previously been reported to Schools Forum. The overspend has largely arisen from reduced income levels from preventative work as the numbers of pupils receiving direct provision increases. An investigation has taken place in to the reasons for the overspend and a report containing proposals to bring the budget in to line for the current year is also on the agenda for this meeting.

Other Issues

9. Any under or overspend against the Dedicated Schools Grant is to be carried forward in to the following financial year. The underspend of £96,000 will therefore be available to the overall schools budget in 2010/11.
10. The final announcement of DSG for 2010/11 is due to be confirmed during June and a further report will be brought to Schools Forum detailing the final settlement and any implications for the 2010/11 budget.

Proposal

11. The Schools Funding Working Group is asked to note the outturn position for the Dedicated Schools Budget in 2009/10.

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