



<b>Schools Forum</b> Date: 6 December 2013 Time: 8:30 am Venue: Shrewsbury Training and Development Centre	<u>Item</u>  Public	<u>Paper</u>  <b>F</b>
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## DEDICATED SCHOOLS GRANT MONITORING

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### Summary

This report outlines to Schools Forum members the centrally retained Dedicated Schools Grant (DSG) forecast outturn position at the end of October 2013.

### Recommendation

This report is for information only.

## REPORT

### Outturn 2013-14

The overall outturn against centrally retained DSG is forecast to be £190k in surplus at the end of October 2013. The forecast is a prudent estimate based on the fact that Spring term charges have still to be confirmed.

### Main reasons for a variation from budget of greater than £100k:

#### Line 1.0.1 – Early Years PVIs

Payments to private, voluntary and independent early year’s providers, providing placements for 2 year olds, is currently forecast to underspend by £277k. This is due to current numbers of 2 year olds being at about 60% of the target of 500 children. The final outcome will not be known until allocation of Spring term places.

It is however likely that the spend will increase during 2014-15 when the threshold for access is changed resulting in increased demand as well as a possible reduction in Early Years Block funding.

### **Line 1.1.1 – Contingencies**

Contingencies are currently forecast to overspend by £184k due to a significant increase in number of requests for additional funding where numbers have increased by greater than 10% since the October 2012 census date. Three schools have received exceptionally high allocations.

Further details are to be provided in the De-Delegation 2014-15 paper considered earlier on this agenda.

### **Line 1.2.3 – Top Up Funding – Independent Providers & FE – Post 16**

An overspend of £79k is currently projected. Schools Forum had been notified at an earlier meeting that there was a potential pressure in this budget line of £751k. However following submission of a Business Case to the Education Funding Agency £244k of additional grant was awarded to Shropshire.

In addition contributions from Health & Social Care totalling £473,333 (52%) towards the costs of placements for post 16 students in Independent Provider provision have been negotiated. The current position recognises that actual numbers of students are 11 less than planned (87 planned, actual 76) due to cancellation of a course at Walford College. However, the average actual cost of £7,545 per student in top up funding is higher than the amount funded of £6,486 per student.

It should be noted that this overspend only relates to an 8 month period and there is no guarantee that contributions can be secured from Health and Social Care in 2014-15. If we were to consider an identical situation for a 12 month period and remove the Health funding the overspend would be £830k.