

**REPORT TO:** School Forum

**DATE:** 21<sup>st</sup> January 2014

**REPORTING OFFICER:** Senior Finance Officer, Financial Management Division

**SUBJECT:** Central DSG Budgets 2014-15

1.0 **PURPOSE OF REPORT**

1.1 **To report to the School Forum an update on the Centrally Held Dedicated Schools Grant Budgets for 2014-15.**

2.0 **RECOMMENDATION**

RECOMMENDED:

- (1) The report be noted.
- (2) That the Central DSG budgets from the notional Schools Block are set at £1,348,432.
- (3) That the Central DSG budgets from the notional Early Years Block are set at £4,220,834.
- (4) That the Central DSG budgets from the notional High Needs Block are set at £5,937,653.
- (5) That further re-alignment of Central DSG budgets from the notional High Needs Block is undertaken should it be required.

3.0 **SUPPORTING INFORMATION**

3.1 **Background**

Following the introduction of the new funding formula the Centrally Held Dedicated Schools Grant Budgets have been re-aligned to take account of the new requirements of the funding regulations and needs within the Borough.

3.2 **Regulations**

Centrally Held DSG budgets from the Schools Block element are tightly restricted. No such restrictions are in place for Centrally held budgets from the High Needs Block or Early Years Block.

3.3 **Schools Block**

We are proposing to set Central DSG budgets from the Schools block totalling **£1,348,432**.

This is £101,380 higher than previous year's notional Schools Block central DSG. A budget duplication has been corrected in regard to

the contribution to Halton's Safeguarding Children Board. The contingency budgets that are no longer allowed under the new funding regulations have been removed and the Pupil Growth Contingency has been written in at £380,000.

3.4 **Early Years Block**

We are proposing to set Central DSG budgets from the Early Years block totalling **£4,220,834**.

3.5 This is a reduction of £163,194 following the reduction of two budgets that are no longer used. However, we are increasing the 3 & 4 year old Free Entitlement budget by £234,220 to bring the budget more into line with expected spend. The notional budget for 2 year old Free Entitlement has been reduced by £550,000 to bring the overall Early Years expected budget spend to match the notional Early Years grant.

3.6 **High Needs Block**

We are proposing to set Central DSG budgets from the High Needs block totalling **£5,937,653**.

This is an increase of £608,620 due to writing in the budget of £1,069,000 for Post 16 High Needs while writing out budgets totalling £460,380. These budget reductions are aligning the historic budgets to staffing/non-staffing changes that have taken place over the last couple of years.

3.7 **Summary**

With the proposed Primary and Secondary school budgets plus estimates for Special schools, the PRU, Special units, Nursery schools and Nursery units we are currently forecasting an under-allocation of DSG of £385,651. However, we are expecting that the budget requirements for Special schools will increase. Should the under-allocation be insufficient further re-alignment of High Needs budgets can be considered.

4.0 **POLICY IMPLICATIONS**

4.1 None

5.0 **OTHER IMPLICATIONS**

5.1 None