

REPORT TO: School Forum
DATE: 21st June 2017
REPORTING OFFICER: Senior Finance Officer, Financial Management Division
SUBJECT: Dedicated Schools Grant Outturn 2016-17

1.0 Purpose of the Report

1.1 To report to the School Forum the final Dedicated Schools Grant position for 2016-17 and note the amount of DSG carried forward into the 2017-18 financial year.

2.0 Recommendation

RECOMMENDED: That the amount of unspent DSG from 2016-17 of £1,636,322 is carried forward into the 2017-18 financial year be noted by the School Forum.

3.0 Background

Each year all local authorities are required to submit a Section 251 Outturn return to the Department for Education. The authority records its total income and expenditure for the previous financial year (2016-17). This includes income and expenditure at individual school level, taken from the Consistent Financial Reporting return plus central local authority income and expenditure.

3.1 The DSG available for distribution in 2016-17 totalled £79.3M as below:

Final allocation of DSG for 2016-17	£77.7M
Plus unspent DSG from 2015-16 carried forward	<u>£ 1.6M</u>
Total DSG available in 2016-17	£79.3M

3.2 The DSG expenditure in 2016-17 totalled £79.2 as below:

Actual DSG School level expenditure	£65.8M
Actual DSG Central expenditure	<u>£11.9M</u>
Total DSG expenditure in 2016-17	£77.7M

3.3 The unspent DSG from 2016-17 brought forward into 2017-18 is therefore £1.6M as below:

Total DSG available in 2016-17	£79.3M
Total DSG expenditure in 2016-17	<u>£77.7M</u>
Total DSG brought forward into 2017-18	£ 1.6M

3.4 The centrally held DSG budgets were underspent by just £51,848 in 2016-17. This is much better than our mid-year forecast where we envisaged an overspend of approximately £32,000.

The regular monitoring meetings will continue over the course of the year to identify areas of concern and in order to put in place ways of minimising the overspends during the year as this has been a successful method of managing the overspend expected in 2016-17.

It should however be noted that the difference between the expected overspend and the actual underspend is less than £84k. This is equivalent to one placement in an independent special school for a full year.