

REPORT TO: Schools Forum
DATE: 15 January 2020
REPORTING OFFICER: Senior Finance Officer
SUBJECT: DSG forecast outturn for 2019-20
WARDS: Borough wide

1.0 PURPOSE OF THE REPORT

1.1 To report to the Schools Forum the DSG forecast outturn for 2019-20 as at 09/12/19.

2.0 RECOMMENDATION: That the report is noted.

3.0 SUPPORTING INFORMATION

3.1 Schools Block

The Schools Block must be fully devolved to mainstream primary and secondary schools by use of the approved funding formula, with the exception of the agreed transfer to the High Needs Block. For 2019-20 this transfer was agreed at 1%, which equates to £869,312 with the balance being fully devolved through the formula.

3.2 Central School Services Block

We are expecting the CSSB to come in over budget by £36,232 due to the reimbursement of suspension costs. We are expecting to underspend on the contribution to the Safeguarding post and the Premature Retirement budgets which offsets some of the overspend on the Staff Responsibilities budget. The Schools Contingency budget is being shown as fully spent as this is expected with the business cases submitted for Schools Forum consideration for financial assistance.

3.3 Early Years Block

At this point in time we are forecasting to come in over budget by £43,850. This is based on estimates for the Spring Term free entitlement provision for 2, 3 and 4 year olds resulting in an overspend of £261,801. We are seeing underspends totalling £217,951 on Inclusion funding, staffing, supplies & services as well as the contingency budget. However, until we receive the January 2020 EY census data we cannot calculate the DSG adjustment that we will receive in July 2020 which could significantly impact on the outturn position.

3.4 High Needs Block

The forecast outturn position is an overspend of £641,508. The key areas of overspend are Independent Special Schools, Inter Authority

Recoupment and Top-up funding which show a combined forecast overspend of £1,389,846. The Specialist Teams and Inclusion Division staffing are generally coming in under budget at a combined total of £250,523 which, along with the High Needs Contingency of £497,815 has reduced the forecast overspend by more than half.

3.5 Reserves

The balance carried forward from 2018-19 is £347,563 to support areas that are coming in over budget.

3.6 Summary

We are forecasting our outturn at £374,027 over budget for 2019-20 based on current information. We have built in all known and expected costs. Monthly monitoring of expenditure and forecast outturn is continuing and is being discussed with Senior Managers on a regular basis.

The current forecast equates to -0.33% of the overall DSG allocation to Halton.

The detailed breakdown for all four blocks is attached at Appendix A.

4.0 FINANCIAL IMPLICATIONS

4.1 An in-year overspend against the DSG in excess of our carried forward balance will have first call against our grant allocation for 2020-21.

5.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

5.1 Children & Young People in Halton

It is essential that schools and education support services receive sufficient funding to allow them to support all children and young people.

5.2 Employment, Learning & Skills in Halton

None.

5.3 A Healthy Halton

None.

5.4 A Safer Halton

None.

5.5 Halton's Urban Renewal

None.

6.0 RISK ANALYSIS

6.1 The outturn currently forecast will undoubtedly change as so much of the central expenditure is based upon demand which can change from day to day. Stringent measures and monitoring are in place to minimise.

spending, subject to the LA and all schools and academies working together.

7.0 EQUALITY AND DIVERSITY ISSUES

7.1 The Local Authority must discharge its statutory responsibilities in relation to all schools and settings.

8.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

None.