

Meeting: Schools Forum
Date: 15 September 2014
Subject: Dedicated School Grant Contingency Budgets
Report of: Deputy Chief Executive and Director of Children's Services
Summary: To provide an update on the use of the School Contingency Budgets for 2014/15.

Contact Officer: Dawn Hill, Priory House, Shefford
Public/Exempt: Public
Wards Affected: All
Function of: Council

RECOMMENDATIONS:

- 1. To note the Dedicated School Grant (DSG) Contingency spend to 31 August 2014.**

Background

1. From 2013/14 the Dedicated School Grant is split into three notional blocks; Schools, High Needs and Early Years with each block holding its own contingency budget.

School Block

2. The Schools Specific Contingency Budget falls under Schedule 2 (Part 5) of The School and Early Years Finance (England) Regulations 2013; 'Classes or descriptions of planned expenditure prescribed for the purposes of the Schools budget of a Local Authority which may be deducted from it to determine the Individual Schools Budget (ISB)'. Part 5 relates to items that may be removed from Maintained Schools' Budget Shares by way of de-delegation. De-delegation is not an option for Academies, special schools, nurseries or PRUs.
3. Expenditure on the Schools Specific Contingency is central expenditure deducted for the purpose of ensuring that monies are available to enable an increase in a school's budget share after it has been allocated and where it subsequently becomes apparent that a governing body have incurred expenditure which it would be unreasonable to expect them to meet from the school's budget share which may include expenditure in relation to:
 - schools in financial difficulty
 - the writing off of deficits of schools which are discontinued, excluding any associated costs and overheads
 - new, amalgamating or closing schools, or

- other expenditure where the circumstances were unforeseen when initially determining the school's budget share

High Needs Block

4. Contingencies are held centrally to fund the writing off of deficits of special schools which are discontinued. At the School Forum meeting in January 2014 it was advised that due to the lateness of confirming the High Needs Block settlement for 2014/15 additional funds would be held in contingencies until the following issues had been resolved with the EFA:
- resource implications of changes in SEND provision through the implementation of the Children and Families Bill in 2014 is determined.
 - funding mechanism for the Academy of Central Bedfordshire
 - medical services continuing to be identified as Alternative Provision as they were previously, and so count as £8,000 per place
 - impact of Post 16 changes
 - how the EFA plans to top slice Local Authorities and whether that will impact on the initial settlement
 - how the EFA plans to apply growth in 2014/2015

Early Years Block

5. Early Years provision is funded based on predicted total number of hours attendance of registered pupils. The LA must review the budget share when further information on actual hours of attendance is available, in accordance with Part 3 of The School and Early Years Finance (England) Regulations 2013. The Early Years Contingency budget has been set aside to fund the headcount adjustment that is allowable within the regulations.

Update

School Contingency

6. It was agreed at the School Forum meeting of the 14 October 2013 that the de-delegated contingency budget for 2014/15 would remain at the 2013/14 per pupil level of £5.63.
7. The following table sets out the expenditure to 31 August 2014:

	BUDGET £	SPEND £	BALANCE £
Carry Forward from 2013/14	70,950		
Budget Allocation 2014/15	104,510		
Adjustment Academy Recoupment		590	
Total School Contingency	175,460	590	176,050

High Needs Contingency

8. It was agreed at the School Forum meeting of the 20 January 2014 that unallocated 2014/15 High Needs Block funding would be held in contingencies until funding issues resolved, unspent funding will be redistributed to schools in 2015/16.

9. The following table sets out the expenditure to 31 August 2014:

	BUDGET £	SPEND £	BALANCE £
Carry Forward from 2013/14	155,232		
Unallocated HN Block 2014/15	851,470		
Specialist Provision adjustment to top up funding		(282,249)	
Adjustment to AP places for the ACB		560,042	
Total SEN Contingency	1,006,702	277,793	1,284,495

Early Years Contingency

- 10 The following table sets out the expenditure to 31 August 2014:

	BUDGET £	SPEND £	BALANCE £
Carry Forward from 2013/14	117,746		
Budget Allocation 2014/15	135,715		
January 2014 census adjustment		660,647	
May 2014 census adjustment		(570,455)	
Total Early Years Contingency	253,461	90,192	343,653

Appendices:

None