

ITEM NO: 6

Report To:	SCHOOLS FORUM
Date:	2 March 2016
Reporting Officer:	Bob Berry – Assistant Executive Director - Learning. Peter Timmins – S151 Officer - Finance.
Subject:	COUNCIL MANAGED DEDICATED SCHOOLS GRANT MONITORING UPDATE 2015/16
Report Summary:	A report on the centrally managed Dedicated Schools Grant for 2015/16 and proposals to utilise the unspent 2 year old funding carried forward from previous financial years.
Recommendations:	Members of the Schools Forum are requested to note the contents of the report.
Links to Community Strategy:	Effectively calculated and targeted resources will improve access to a high quality education experience for all our children.
Policy Implications:	In line with current policy
Financial Implications: (Authorised by the section 151 officer)	The Dedicated Schools Grant is a ring fenced grant solely for the purposes of schools and pupil related expenditure.
Legal Implications: (Authorised by the Borough Solicitor)	There is a statutory duty to use resources efficiently and effectively against priorities.
Risk Management:	The correct accounting treatment of the Dedicated Schools Grant is a condition of the grant and procedures exist in budget monitoring and the closure of accounts to ensure that this is achieved. These will be subject to regular review.


ACCESS TO INFORMATION

NON-CONFIDENTIAL

This report does not contain information which warrants its consideration in the absence of the Press or members of the public.

Background Papers

The background papers relating to this report can be inspected by contacting Stephen Wilde – Head of Resource Management, Resource Management, Governance and Resources by :

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1. BACKGROUND AND INTRODUCTION

- 1.1 Schools Forum agreed in principle to support a number of services in 2013/14 through a combination of De-delegation and buying back into previously centrally retained services using normally delegated funding. For 2014/15 the Secondary sector chose to de-delegate funding for the Trade Union Support Service only, whereas the Primary Sector voted to continue de-delegation for the same services as in 2013/14. For 2015/16 the Secondary sector chose not to de-delegate any funding for central services, whereas the Primary Sector voted to continue de-delegation for the same services as in 2013/14 and 2014/15. For De-delegated Services the Council is able to automatically recover the funding from Maintained Schools, but invoices have to be issued to recover the equivalent funding from Academies. For Buy Back services the Council internally recharges Maintained Schools, but invoices have to be issued to recover the equivalent funding from Academies.

De-delegated Services Maintained Primary Sector 2014/15

- Behaviour for Learning and Inclusion Service (BLIS)
- Equality, Multiculturalism and Access Team (EMAT)
- Staff Cover for Trade Union Support
- Schools Contingency

De-delegated Services Maintained Secondary Sector 2014/15

- Staff Cover for Trade Union Support

De-delegated Services Maintained Primary Sector 2015/16

- Behaviour for Learning and Inclusion Service (BLIS)
- Equality, Multiculturalism and Access Team (EMAT)
- Staff Cover for Trade Union Support
- Schools Contingency

De-delegated Services Maintained Secondary Sector 2015/16

- None

- 1.2 The Council also manages DSG funding to support the following

- Providing the Maintained Schools Admissions service
- Schools Forum support costs
- BSF Affordability contributions – until the affordability review is completed
- High Needs services other than Special Schools and Primary MLD Units
- Early Years funding being delegated to Private, Voluntary and Independent Providers

- 1.3 This report provides details of the financial monitoring position for the 2015/16 financial year for these services at the end of September 2015 in Section 2 and **Appendix A**.

- 1.4 The services in 1.1 above should be funded from a combination of Maintained School and Academy funding as their support is available to all Schools. Since the start of financial year some Schools and Academies have questioned why they are required to contribute towards these services if they do not access them with Contingency and Schools Causing Concern being the main area queried. Whilst it is true that not all Schools will access this funding each year the intention was to follow the principle applied in future years when this funding was set aside for use by whichever Schools were most in need of it. It was not

permitted to centrally retain this funding any longer and therefore it was distributed through the local funding formula via the AWPU factor.

2. COUNCIL MANAGED DEDICATED SCHOOLS GRANT BUDGET MONITORING 2015/16 AT THE END OF JANUARY 2016

- 2.1 **Appendix A** provides the financial monitoring position for 2015/16 at the end of January 2016 for the Council services described in Section 1, the Centrally Managed High Needs services and the Early Years funding that is delegated to Private, Voluntary and Independent Providers. **Appendix B** provides a brief description of the services supported by these budgets.
- 2.2 The services are split into 5 sections on **Appendix A** and the first group of De-delegated Services has a collective projected under spend of £73,240, which mostly relates to the Schools Contingency budget. Schools Forum will determine how any under spend against this budget is used next financial year.
- 2.3 The second group of service - Previously Centrally Retained - on **Appendix A** includes an under spend of £89,236 against Primary Schools Causing Concern (SCC) brought forward from 2014/15 which has been added to the budget. It is projected that there will be £127,897 of Primary Schools Causing Concern unspent at the year end and there is a separate report to this meeting concerning this funding.
- 2.4 The current projection of costs on the third section of **Appendix A** called Centrally Retained Services is an under spend of £4,500 which relates to the Schools Forum budget.
- 2.5 The fourth section of **Appendix A** provides a summary of the Centrally Retained High Needs Services. This is the largest area of variation in costs with a projected over spend of £327,549 which primarily relates to a projected over spend against the Pupil Referral Service (PRS) budget of £324,893. This has been caused by a combination of supply cover costs for a number of employees who are on periods of long term absence and the one off costs associated with implementing a revised staffing structure. The last report to Forum had a projected increase in costs relating to Post 16 High Needs students of £552,382, but after discussions with Tameside College this has now reduced to £124,143 on **Appendix A** to this report. This increase in Post 16 costs has effectively been offset by a reduction in Pre 16 placement costs from outside Tameside. A separate report to this meeting proposes funding the deficit on the PRS from unspent DSG from previous financial years.
- 2.6 The final section of **Appendix A** relates to Early Years funding for Private, Voluntary and Independent Nurseries. The revised budget for 2 year old places is based on an updated DFE allocation which is significantly reduced from the report at the last meeting, but the Council expects to spend £538,997 more than this budget based on local projections of cost. This shortfall in current DSG will be retrospectively funded by the DFE once the actual take up of places is confirmed. Similarly the projected increase in costs of £275,924 compared to the latest DFE allocation of funding for 3 and 4 year old places is also expected to be retrospectively funded by the DFE once the actual take up of places is confirmed.

3. RECOMMENDATIONS

- 3.1 As stated on the report cover.