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Report title:	Dedicated Schools Grant 2014-15 Outturn	
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Executive Summary

This report sets out the final 2014-15 year-end outturn position for the Dedicated Schools Grant (DSG).

Schools Forum Actions

The Schools Forum is asked to note the:

- Final DSG outturn position of a favourable variance of £2.8m (section 2.0 and Appendix A);
- Reports on the use of funds for schools contingency budgets and the satellite class;
- Funding held in reserves at the end of the 2014-15 financial year (section 4.0);
- Proposals for use of reserves (section 5.0).

1.0 Background

- 1.1 The final allocation of the DSG for 2014-15 was £193.572m; based on a total allocation of £241.663m and academy recoupment of £48.091m. As reported previously, additional funding of £1.154m was allocated in-year; £845k for early years and £309k for high needs.
- 1.2 A projected favourable variance of £2.5m was reported to the December 2014 Schools Forum meeting. In addition, it was agreed that the LA would ring fence any surplus monies relating to two year olds to be used in future years to continue to increase the capacity of settings to provide the two year old places required.

2.0 Dedicated Schools Grant – 2014-15 outturn

- 2.1 The final outturn position for the 2014-15 financial year is a favourable variance of £2.8m, a slight increase from the previously forecast position. A breakdown of the key variances by funding block is outlined in the table below:

Funding block	Outturn (£000)	Appendix A reference
Early years block	(£845)	a)
Schools block: de-delegated budgets	(£64)	b)
Schools block: retained budgets	(£206)	c)
High needs block: contingencies held	(£1,083)	d)
High needs block: retained budgets	(£609)	e)
TOTAL	(£2.807)	

3.0 Reports on use of funds

3.1 As part of the outturn process, updates have been included in regards to the use of the following funds agreed from DSG:

- The annual report of 2014-15 expenditure from the schools contingency budgets – schools in difficulty and intervention budgets, trade unions and maternity budgets (Appendix B);
- Annual funding of £50k agreed to support a satellite class at Cherry Garden School (Appendix C).

4.0 DSG Reserve

4.1 A breakdown of the additional funding held in the DSG reserve at the end of 2014-15, is detailed in the table below.

	Funding held in reserve at end of 2014-15 (£m)	% of 2014-15 DSG funding	Details
Funding committed:			
One-off funding allocated to schools in 2015-16	£4.1	1.72%	Additional funding has been allocated to schools as part of their 2015-16 schools budgets (held in reserve as funding cannot be allocated in-year)
Children's and Families Act	£1.3	0.53%	Balance of £1.9m earmarked for future use at July 2014 Schools Forum. Funding held in reserve for use in 2015-16 following staff recruitment and commencement of personal budget pilot.
SILS	£0.2	0.08%	Funding earmarked to increase capacity/quality of provision at July 2014 Schools Forum meeting
Family matters	£0.5	0.21%	Funding earmarked subject to further proposals (section 5.0)
Two year old funds	£2.1	0.88%	Agreed two year old funding ring-fenced to support future programmes including increasing capacity and support.
Total committed reserves	£8.2	3.42%	
Uncommitted funds held in reserve:			
DSG contingency	£3.8	1.57%	Funding agreed to be held in reserves as contingency
Uncommitted 2014-15 funds	£2.8	1.19%	Final outturn position
Total uncommitted funds	£6.6	2.76%	
Total Funds held in reserve	£14.9	6.19%	

4.2 In addition to the reserves held centrally, the level of reserves held by schools in balances at the end of 2014-15 was £21.082m. Further details on balances held by schools are outlined in agenda item 7.

5.0 Family matters

5.1 The Schools Forum agreed to earmark funds of £500,000 to support the LA's strategy around family matters. The detailed proposal for the use of these funds currently held in reserve and the behaviour support strategy is outlined in Appendix A.

6.0 Planned use of reserves and future arrangements

6.1 The LA has considered initial options for the use of the uncommitted 2014-15 funds. As in previous years, the LA is keen to ensure that funding is being allocated to schools; however the LA has continued to apply a prudent approach in response to continued uncertainty and risks to future school funding. As in previous years, the options available in regards to the allocation of this funding include:

- Allocation of additional funding to schools as part of the 2016-17 school funding formula;
- Funding retained in support of one-off specific projects or to support schools;
- Review of the level of contingencies held.

6.2 The use of this funding should be considered in the context of the current education and school funding environments.

Education

6.3 The LA and schools are facing a number of challenges resulting from the changing education environment. These include:

- changes proposed in the Education and Adoption Bill, including interventions, forced academy conversions and free school applications;
- raised standards through new floor targets;
- curriculum and qualification changes;
- recruitment and retention of teachers;
- increasing pupil numbers and pupil places;
- increasing numbers of children with SEN needs;
- impact of new SEND requirements on schools and the LA;
- rising employer costs (increasing teachers pension contributions and National Insurance Contributions).

6.4 The LA is considering options to support schools and seeks initial views from the Schools Forum around these challenges.

School funding

6.5 The school funding environment remains in a period of change, with further school funding reform expected and uncertain funding arrangements for 2016-17 and future years. From a schools funding perspective, the following should be considered:

- risks associated with further reform of school funding, including a potential national funding formula and ongoing review of early years and high needs funding arrangements;
- level of balances held by individual schools;

- significant ongoing LA budget cuts.

- 6.6 The Schools Forum is asked to note that as part of the reforms the government is undertaking a review of the costs of providing childcare. As part of this review there is a current call for evidence: review of the cost of providing childcare. This review is being undertaken in the context of the planned extension of free childcare to 30 hours per week and commitment to increase the average rate paid to providers to the entitlement. As part of this review, the Department for Education is seeking evidence from early years providers about the factors that make up the cost of providing childcare, and how much of the total cost they represent. The LA encourages early years providers to respond to the call for evidence, which closes on 10 August 2015.
- 6.7 The LA expects further details on future funding arrangements to be announced over the summer. Detailed proposals will be presented to the October 2015 meeting, in the view of these announcements.

Appendix A
Details of key outturn variances

a) Early years block:

Budget	Variance £000's*	Further details
Early years block	(£845)	2014-15 early years block funding updated to reflect January 2014 pupil numbers; budget to be used to offset budget pressures in 2015-16, as set out in agenda item 7
Early years block	(£328)	Final cash adjustment – 2013-14 early years block
EEEE - PVI's	£500	8% increase in take up of the 3 & 4 year old offer of 15 hours care
In year early years adjustments – maintained schools	(£172)	Final position based on actual in-year early years funding adjustments
Total	(£845)	

**Negative values represent favourable variances*

b) Schools block: De-delegated budgets

The Schools Forum annually agrees to “de-delegate” funding for a number of services. This funding is returned to the LA and held centrally for the specific services agreed. The final outturn position of each de-delegated budgets is outlined in the table below. As this funding is retained for a specific purpose, it is proposed that the relevant under/over spends reported are carried forward to 2015-16 de-delegated budget for each individual service.

Budget	Variance £000's*	Further details
Schools causing concern	(£53)	Final underspend position based on actual support agreed for individual schools; school intervention funding, contributions to ill health/early retirement costs and the schools causing concern panel.
Behaviour support	(£3)	
Summerhouse	£11	
Free school meal eligibility	(£60)	Budget part of Pupil Access subject to vacancies and efficiencies.
Licences	£25	Increase in actual licence costs
Maternity	(£13)	Final position based on the actual claims from schools. Further details of claims by individual school is outlined in Appendix B.
Trade unions	£29	Final position based on claims received from schools and academies
TOTAL	(£64)	

**Negative values represent favourable variances*

c) **Schools block: Retained Budgets**

Budget	Variance £000's*	Further details
Growth fund	(£232)	Final position as reported to March 2015 Schools Forum meeting. Funds to be carried forward to the 2015-16 growth fund
Admissions	(£120)	Vacant posts and efficiencies made in non-staff costs such as printing of publications by the team
Servicing the schools forum	(£4)	
Places in independent schools	£150	Additional contribution to education costs of children in residential care due to increased numbers
TOTAL	(£206)	

**Negative values represent favourable variances*

d) **High needs block: Contingencies held**

Budget	Variance £000's*	Further details
High needs block	(£309)	Additional high needs funding allocated in year, held in contingency
High needs growth	(£323)	Underspend on contingencies held to support in year growth
In-year statements	(£451)	Final position based on actual in-year top-up funding adjustments to maintained schools for band 3 and 4 statements.
TOTAL	(£1,083)	

**Negative values (in brackets) represent favourable variances*

e) High needs block: Retained budgets

Budget	Variance £000's*	Further details
Recoupment	(£112)	Residual recoupment claims have now been agreed for all major claims
Independent	£398	9% increase in ASD/ASC high needs placements compared to 2013/14 a rise of 11 additional places in total over 2014/15.
Academies	£205	Although budget increased by £1.05m in 2014/15 to incorporate increases in the number of Southwark academies expenditure has exceeded this.
NMSS	(£70)	Fewer NMSS funded children in 2014/15.
OLA	(£667)	Partially offset by the overspend in Southwark academies, however some OLA schools have been slow submitting claims.
Post 16	(£162)	Budget was underspent by 39% in 2013/14. 2014/15 underspend is 16% as providers have adapted to the new high needs funding arrangements. The 2014/15 outturn incorporates identified Independent post 16 placements.
Other retained	(£201)	Early Years historically underspend, however significantly reduce from a 65% underspend to 9% 2014/15. Budget increased in 2014/15 in line with 2013/14 outturn, however 2014/15 actuals have fallen back to pre 2013/14 levels. Vacant Inclusion Teacher post carried through a substantial part of the year.
TOTAL	(£609)	

*Negative values (in brackets) represent favourable variances

Appendix B
Details of in-year financial support for schools

DfE	Phase	School Name	Schools causing concern panel	School intervention	Maternity*	Trade Union	Total
1000	Nursery School	Kintore Way	-	-	29,308	-	29,308
1025	Nursery School	Sumner Nursery School	-	-	-	-	-
1035	Nursery School	Dulwich Wood	-	-	-	-	-
1044	Nursery School	Nell Gwynn	-	-	-	-	-
1050	Nursery School	Grove Children & Family Centre	-	-	-	-	-
2003	Primary School	Albion Primary School	-	-	23,267	-	23,267
2038	Primary School	Bellenden Primary School	-	-	-	-	-
2085	Primary School	Camelot Primary School	-	38,850	11,150	-	50,000
2100	Primary School	Charles Dickens Primary School	-	10,000	16,214	-	26,214
2116	Primary School	Cobourg Primary School	-	-	14,323	-	14,323
2123	Primary School	Comber Grove Primary School	-	31,080	12,213	-	43,293
2138	Primary School	Crampton Primary School	-	-	-	-	-
2142	Primary School	Crawford Primary School	-	-	7,377	-	7,377
2161	Primary School	Dog Kennel Hill Primary School	-	45,000	10,573	-	55,573
2257	Primary School	Goodrich Primary School	-	-	(2,663)	-	(2,663)
2263	Primary School	Grange Primary School	-	-	6,115	3,507	9,622
2293	Primary School	Heber Primary School	-	-	30,196	-	30,196
2308	Primary School	Hollydale Primary School	-	8,000	34,200	-	42,200
2323	Primary School	Ilderton Primary School	-	-	2,714	-	2,714
2328	Primary School	Ivydale Primary School	-	-	33,239	-	33,239
2339	Primary School	John Ruskin Primary School	-	-	40,771	-	40,771
2351	Primary School	Keyworth Primary School	-	-	11,231	-	11,231
2365	Primary School	Dulwich Wood Primary School	56,307	-	11,391	4,750	72,448
2392	Primary School	Lyndhurst Primary School	-	-	4,912	-	4,912
2411	Primary School	Michael Faraday Primary School	-	-	19,357	-	19,357

2514	Primary School	Riverside Primary School	-	-	-	-	-
2516	Primary School	Robert Browning Primary School	-	-	37,253	-	37,253
2526	Primary School	Rotherhithe Primary School	-	15,000	2,560	-	17,560
2560	Primary School	Snowsfields Primary School	-	15,000	6,499	-	21,499
2562	Primary School	Southwark Park School	-	-	-	-	-
2607	Primary School	Tower Bridge Primary School	-	10,000	(11,165)	-	(1,165)
2609	Primary School	Townsend Primary School.	-	-	14,241	-	14,241
2621	Primary School	Victory School	-	-	-	-	-
2848	Primary School	Phoenix Primary School	-	-	-	-	-
2852	Primary School	Pilgrim's Way Primary School	-	-	-	-	-
2853	Primary School	Alfred Salter Primary School	-	-	4,194	-	4,194
2855	Primary School	Oliver Goldsmith Primary School	-	-	18,493	-	18,493
2856	Primary School	Bessemer Grange Primary School	-	-	18,628	-	18,628
2858	Primary School	Brunswick Park Primary School	-	20,000	362	-	20,362
3313	Primary School	Boutcher Church of England Primary School	-	-	-	-	-
3337	Primary School	Dulwich Village Church of England Infants' School	-	-	14,763	-	14,763
3341	Primary School	English Martyrs' Catholic Primary School	-	-	12,886	-	12,886
3399	Primary School	St James The Great Roman Catholic Primary School	-	-	-	-	-
3435	Primary School	St Francis's RC Primary School	-	-	(121)	-	(121)
3445	Primary School	St George's Church of England Primary School (043)	-	2,000	-	-	2,000
3447	Primary School	St George's Cathedral RC Primary School	-	-	17,757	-	17,757
3452	Primary School	St James' Church of England Primary School	-	-	-	-	-
3460	Primary School	St John's and St Clement's Church of England Primary School	-	-	6,034	-	6,034
3468	Primary School	St John's Walworth Church of England Primary School (0345)	-	-	6,467	-	6,467
3475	Primary School	St Joseph's Roman Catholic Primary School, George Road (014b)	-	-	-	-	-
3476	Primary School	St Joseph's Catholic Primary School, Gomm Road (026)	-	-	25,296	-	25,296
3484	Primary School	St Joseph's Catholic School, The Borough (0339)	-	-	-	-	-
3492	Primary School	St Jude's Church of England Primary School	-	-	-	-	-
3508	Primary School	St Mary Magdalene Church of England Primary School	-	-	-	-	-
3516	Primary School	Peter Hills with St Mary's & St Paul's C of E Primary School	-	30,000	2,638	-	32,638

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3573	Primary School	St Paul's Church of England Primary School	-	-	74	-	74
3586	Primary School	St Peter's Walworth Church of England Primary School	-	13,000	-	-	13,000
3593	Primary School	Cathedral School of St Saviour and St Mary Overie	-	8,000	(14,903)	-	(6,903)
3669	Primary School	St John's Roman Catholic Primary School (3669)	-	-	14,484	-	14,484
3670	Primary School	Rye Oak Primary School	-	28,750	-	-	28,750
5200	Primary School	St Francesca Cabrini Primary School	-	-	43,689	-	43,689
5201	Primary School	St Anthony's Catholic Primary School	-	-	10,380	-	10,380
5203	Primary School	St Joseph's Roman Catholic Junior School (046)	-	-	-	-	-
5204	Primary School	St Joseph's Catholic Infants School (046)	-	-	40,085	-	40,085
5205	Primary School	Friars Primary School	-	4,600	63,221	-	67,821
5207	Primary School	Charlotte Sharman Primary School	-	10,000	-	-	10,000
5209	Primary School	Surrey Square Primary School	-	-	-	-	-
5402	Secondary School	St Thomas the Apostle College	131,924	-	32,832	-	164,756
4680	Secondary School	St Saviour's and St Olave's Church of England School	-	-	-	-	-
5404	Secondary School	Notre Dame Roman Catholic Girls School	-	-	51,241	-	51,241
7007	Special School	Highshore School	-	-	-	-	-
7048	Special School	Spa School	-	-	2,100	-	2,100
7126	Special School	Haymerle School	-	-	2,857	-	2,857
7167	Special School	Beormund Primary School	-	-	19,922	-	19,922
7174	Special School	Tuke School	-	-	12,092	-	12,092
7186	Special School	Cherry Garden School	-	-	7,032	-	7,032
7066	Hospital School	Evelina Hospital School	-	-	19,386	-	19,386
7073	Hospital School	Bethlem & Maudsley Hospital School	-	-	-	-	-
1104	Pupil Referral Unit	SILS	-	-	-	-	-
6912	Academy	ARK Globe Academy	-	-	-	40,049	40,049
2859	Academy	Goose Green Primary School	-	-	-	51,238	51,238
4265	Academy	Kingsdale Foundation School	-	-	-	31,802	31,802
		Training	-	9,077	-	-	9,077
TOTAL			188,231	298,357	797,165	131,346	1,415,100

*Negative values (in brackets) represent differences between accruals raised in 2013-14 and actual claims processed in 2014-15

Appendix C
Cherry Outreach Support Service



COSS
Cherry Outreach Support Service
Satellite Class

Review

The Satellite Class has been running since 2012 with the exemption of one year when we were unable to employ a suitable teacher.

During this time, there have been 29 pupils attending from 20 primary schools in Southwark.

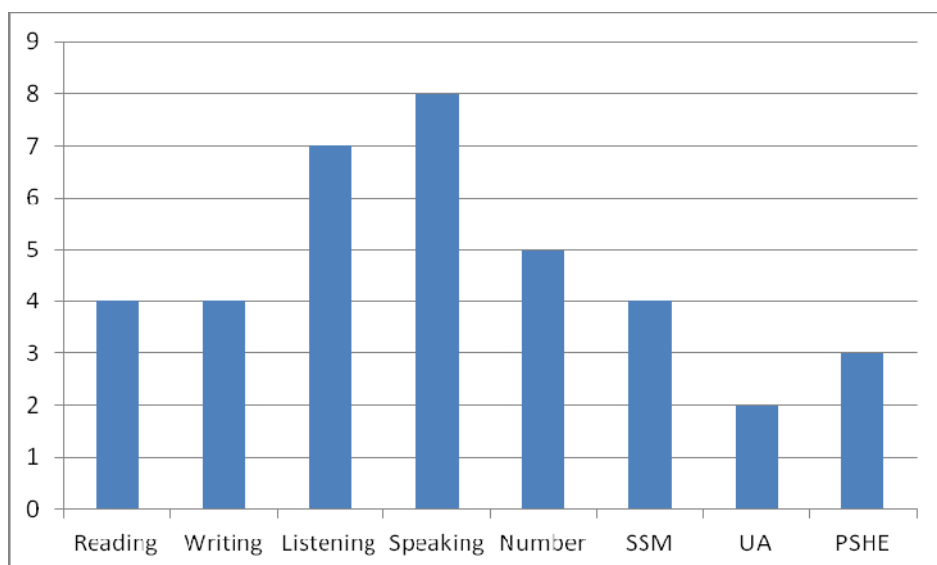
School	Number of pupils
Cobourg	1
Riverside	1
Dog Kennel Hill	2
Goose Green	1
Michael Faraday	1
Goodrich	3
St Joesph's (Gomm Rd)	2
Ilderton	1
English Martyrs	1
Grange	1
St Mary Magdalene	1
St Francis	1
Crawford	1
Alfred Salter	3
Oliver Goldsmith	2
Brunswick Park	2
Robert Browning	2
St John's	1
St Georges (CoE)	1
St Pauls	1

Impact

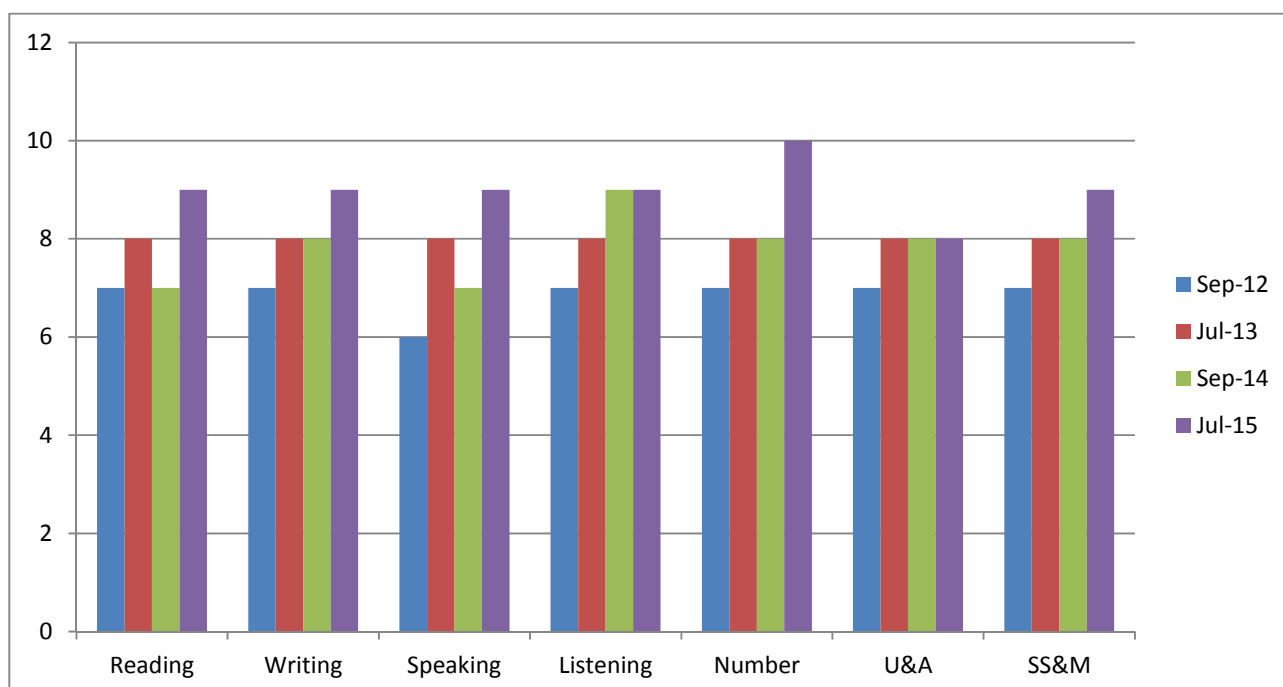
The Pupil Progress Reports indicate that the service has enabled pupils to make good progress. Feedback from schools involved has been very positive.

The following outlines the number of pupils who are now achieving National Curriculum in each subject after one year in the Satellite Class.

Pupils achieving National Curriculum



The graph below illustrates the progress of a pupil who attended in 2012-13 and this year. When not accessing the specialist teaching offered at the Satellite class his learning did not continue at the expected rate. This highlights the need for the class, but also the necessity of supporting schools to implement changes to deliver quality teaching and learning.



Rationale

There continues to be a need in the borough for specialist support for pupils who are in Key Stage 2, operating at P levels. When identifying possible pupils for September 2015, the initial list produced 42 names. Many of these pupils will also benefit from developing their social skills with peers they can interact with.

While reviewing the service, we identified two key areas that need further development:

1. Increased support within the Mainstream schools to implement techniques and strategies
2. Enabling Teaching Assistants to cascade techniques and strategies within the Mainstream school

In order to do this, the time spent in the Mainstream schools will be increased from half a day to one day per week. This will enable the Satellite teacher to provide in school support once every half term. In addition to this, the Class teacher and SENCO will be asked to attend the Satellite class during the Autumn and Summer terms.

Participating schools will be asked to sign a contract that will ensure only Teaching Assistants who have the skills and capacity to disseminate information to their mainstream school will attend the Satellite class.

Satellite Class and COSS

The following is an overview of how the Satellite class will continue to form part of COSS over the next 3 years and how it will be developed.

Cherry Outreach Support Service
2014-2015

Outreach Advisor

- Training
- Satellite Class
- In school Support (1 day/week)

Specialist Teacher Support

- Mainstream Support
- LA lead (2 days/week)

Satellite Teacher

- Delivers Satellite Class and Mainstream support (3.5 days/week)

Cherry Outreach Support Service
2015-2016

Outreach Manager

- Delivers Satellite Class and follow up support in mainstream schools (3.5 days/week)
- Cherry Garden teacher (1 day/week)
- Outreach (0.5 day/week)

Outreach Advisor

- Training
- Satellite Class
- In school Support
- Teaching Schools Alliance (1 day/week)

Specialist Teacher Support

- Mainstream Support
- LA lead (2 days/week)

Cherry Outreach Support Service
2016-2018

Outreach Manager

- Delivers Satellite Class and Mainstream support (3 days/week)
- Outreach / Teaching Schools Alliance support (2 day/week)

Outreach Advisor

- Training
- Satellite Class
- In school Support
- Teaching Schools Alliance (1 day/week)

Specialist Teacher Support

- Mainstream Support
- LA lead (2 days/week)

Satellite Teacher

- Delivers Satellite Class and Mainstream support (3 days/week)

Developing the Satellite Class

As indicated above, we feel there is a need to extend the service to include a Key Stage 1 class in 2016. This will enable us to deliver focused early support, reducing the increasing need in Key Stage 2.

Budget

The Satellite class (including follow up visits to those pupils in mainstream) currently receives £50,000 per year. We anticipate that this current level of funding will be adequate for the year 2015-2016 with an increase of £35,000 (approx.) to extend the service in 2016.

Appendix D

Behaviour support strategy

1. Introduction

A group of colleagues from Southwark primary, secondary and special schools met at the end of April with officers of the LA to discuss ways of improving support for behaviour across the borough. The meeting was arranged in response to an emerging pattern of behavioural issues with schools expressing their concern for the increasing numbers of children experiencing emotional and behavioural needs within school including children with ASD.

2. What is working well

There was a general consensus in the primary sector that the work of Summerhouse, both the withdrawal placements and the outreach, is highly valued and the expertise of the Summerhouse staff contributes significantly to the work of primary schools.

The work of Beormund special school is also highly regarded and generally OFSTED finds the management of behaviour to be a strength of schools across Southwark.

Within the secondary sector it was agreed that the SILS dual registration programme acts as a respite for schools and although it is less successful in achieving long term behavioural change is still highly valued by schools.

3. Areas to address

- Increasing number of young children with severe emotional needs and/or on ASD spectrum
- Increasing number of children with complex range of needs including mental health needs arriving in reception with limited pre-school experience
- Children with emotional and behavioural needs who are subject to an in year admission or require a managed move
- Capacity issues at both Summerhouse and Beormund
- Financial difficulty of supporting children with behavioural needs who do not meet EHC thresholds or who are under assessment
- Increase in mental health issues across all age ranges

4. Agreed Actions

Increase the number of placements at Summerhouse by establishing an additional class by September 2015

- Secure a funding stream for schools (nursery, primary and secondary) to support pupils demonstrating challenging behaviour at the point of need rather than pursuing the longer term strategy of seeking an EHC plan. This would include children admitted to schools following managed moves or mid-year admissions.
- Strengthen capacity at SILS3 to develop a nurture programme for KS3 children who are demonstrating high levels of immaturity and complex emotional needs.
- LA to consider expansion of Beormund as a long term strategy.

5. Funding proposal

The Schools Forum agreed to earmark funds of £500,000 to support the LA's strategy around family matters. It is proposed to use these funds as follows:

- £70,000 to increase capacity at Summerhouse;
- £360,000 for interim support for pupils in mainstream schools;
- £70,000 to support a multi-disciplinary approach at SILS3

Further details on the proposed use of these funds are outlined below.

Summerhouse

Capital funding of £190k has already been secured to develop an additional modular class room at Summerhouse which will increase capacity for a group of up to 8 children.

Funding is requested for an additional teacher and teaching assistant:

£70,000 is requested

Interim support for pupils in mainstream, nursery, primary and secondary schools

During 2014/15 a number of children have benefitted from interim support in school whilst awaiting SEN assessment or as part of a managed move programme. In some cases prompt action has prevented statutory assessment or permanent exclusion being required. This financial support has been provided at the discretion of the Head of Service: Early Help using a staffing structure underspend as staff continued to be recruited to the overall service. During 2014/15 this amounted to just over £100k and was highly valued by schools which were able to provide additional support for some pupils. The financial capacity within Early Help to carry on with this programme of support no longer exists and it is therefore proposed to request DSG funding to enable support of this type to schools to continue.

If this funding were agreed nursery, primary and secondary schools would be made aware of how to access support and clear criteria would be established to govern the distribution of funds. The process to date has been that schools have sourced the support themselves and then invoiced the LA accordingly. The process would be managed through the Early Help Central Team with support from Locality Teams.

Funding is requested to establish an amount of money to support the behavioural, emotional, mental health and ASD needs of children in mainstream schools (nursery, primary, secondary). It is anticipated that once schools across the borough can access funding for support of this nature the demand will be well in excess of the £100k spend of 2014/15.

£360,000 is requested

SILS3

Discussions have taken place with SILS3 to improve the capacity of support for children who require a multi-disciplinary approach to meet their complex emotional needs.

Funding is requested for additional staff to develop a nurture programme and to strengthen links with families and other agencies.

£70,000 is requested