

Date: 9 th July 2015	Item 7	Type of report: Information
Report title:	2015-16 Dedicated Schools Grant Budget	
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Executive Summary

This report provides details of the updated Dedicated Schools Grant (DSG) budget for 2015-16.

Schools Forum Actions

The Schools Forum is asked to note that:

- High needs contingency has been reduced to fund high needs cost pressures due to increasing pupils requiring top up;
- The early years budgets have been increased to reflect pupil number growth funded by an on going increase in DSG early years block.

1.0 Background

1.1 The original 2015-16 budget was based on the DSG allocation as confirmed on the 17 December 2014 and presented to the January 2015 Schools Forum meeting. This report provides details of budget adjustments proposed to realign the high needs and early years budgets based on updated data and funding allocations.

2.0 DSG budget adjustments – high needs

2.1 The high needs budgets have been realigned to reflect the:

- Increasing level of top-up funding allocated to schools based on updated January 2015 pupil data;
- Schools Forum decision in July 2014 to allocate additional DSG funding on an on-going basis to support the new requirements associated with the Children's and Families Act;
- Reduction in the EFA school sixth form high needs grant funding from August 2015, estimated based on July 2015 funding;
- Reduction in DSG high needs block funding allocation as at March 2015.

2.2 These high needs cost pressures have been funded by a reduction in the high needs contingency. This contingency represented the balance of the high needs budgets when the when funding arrangements changed; officers prudently retained this funding. Although this contingency was not used in the past this contingency is now required to support high needs growth. Note - there is £280k remaining for future high needs growth from September 2015 onwards.

2.2 A summary of the proposed adjustments is outlined in the table below:

	2015-16 DSG budget adjustments
Increase in estimated top-up funding - maintained schools	£179,000
Agreed on-going budget adjustments (post 16 pupils and EHC teacher costs)	£270,000
Estimated reduction in EFA school sixth form funding grant – high needs	£127,000
DSG income adjustment – reduction in March 2015 allocation	£40,000
Total high needs budget pressure	£616,000
Funded by: Reduction in high needs contingencies retained to support growth in schools	(£616,000)

3.0 DSG budget adjustments – early years

3.1 The early years budgets (FEEE) have been realigned to reflect the:

- Increasing levels of early years funding allocated to schools and providers as a result of increasing providers/pupils;
- Agreed increase to the funding rate for academies, now based on the maintained school rate.

3.2 A summary of the proposed adjustments is outlined in the table below:

	2015-16 DSG budget adjustments
Increase in FEEE budget – in schools and PVIs	£685,000
Increase in FEEE budget – academy providers	£160,000
Total early years budget pressure	£845,000
Funded by: On-going increase in early years block funding based on 2014-15 early years block, updated to reflect increasing numbers	(£845,000)

4.0 Action for the Schools Forum

4.1 The Schools Forum is asked to note the report.