

**READING BOROUGH COUNCIL**  
**REPORT BY FINANCIAL SERVICES**

<b>TO:</b>	Reading Schools Forum		
<b>DATE:</b>	18 <sup>th</sup> October 2018	<b>AGENDA ITEM:</b>	4
<b>TITLE:</b>	Dedicated Schools Grant (DSG) Budget Monitoring 2018/19		
<b>SERVICE:</b>	Children's, Education & Early Help Services	<b>WARDS:</b>	All
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**1. PURPOSE AND SUMMARY OF REPORT**

1.1 This report updates the latest in year financial position.

**2. RECOMMENDED ACTION FOR SCHOOLS FORUM**

**2.1 NOTE: The revised DSG allocations by block for 2018/19**

**2.2 NOTE: The 2018/19 budget monitoring position, in particular the pressures in the high needs block from both the in-year pressure and carry forward of previous year deficit.**

**3 POLICY CONTEXT**

3.1 The Council has strategic aims to establish Reading as a learning city and a stimulating and rewarding place to live and visit, to promote equality, social inclusion and a safe and healthy environment for all. Education and the funding of education is a key factor in the achievement of this aim.

**4 BACKGROUND**

4.1 The Dedicated Schools Grant (DSG) is a ring fenced grant and can only be spent on school/pupil activity, as defined by the School and Early Years Finance (England) Regulations (2018).

4.2 The DSG is split between four different funding blocks - schools, central school services, early years, and high needs. Each Council's allocation is largely based upon actual pupil numbers from the October pupil count proceeding the actual financial year. Although separate allocations are received for each block, transfers are allowed between blocks but subject to certain restrictions.

## DSG Budget Monitoring 2018/19

- 4.3 Most of the grant is allocated to schools - the Individual School's Budget (ISB) or delegated budget - this is mainly formula driven; the remainder is the Centrally Retained School's Budget - the non-delegated budget.
- 4.2 Overspends on the DSG are carried forward and are a first call on the new year's allocation of DSG. Underspends on the DSG are carried forward to support the future year's school's budget.
- 4.3 The Authority must ensure that DSG is correctly spent and has to report the outturn position as to inform the impact upon the following year's budget position. The budget monitoring of the Authority distinguishes between how services are funded, namely by DSG or by the Local Authority.
- 4.4 The LA receives its DSG allocation gross (including allocations relating to academies and post 16 provision), and then the Education & Skills Funding Agency (ESFA) recoups the actual budget for these settings to pay them direct, leaving a net or LA allocation.

### 5. DSG ALLOCATION 2018/19

- 5.1 DSG allocations will change in year due to academy conversions during the year and the ESFA will update the 2018/19 LA grant when conversions have been completed. Allocations in the Early Years and High Needs Block are updated in late July 2018 by the ESFA. The original and current allocation is summarised in Table 1 below, with a detailed breakdown of the calculations provided in Appendix 1.

**Table 1: RBC's original and revised (current) DSG allocations for 2018-19**

Block	Original DSG Allocation 2018/19			Revised DSG Allocation 2018/19			Change (£m)
	Gross DSG Allocations (£m)	Less Recoupment relating to Academies/ Post 16 (£m)	Total LA DSG Allocations (£m)	Gross DSG Allocations (£m)	Less Recoupment relating to Academies/ Post 16 (£m)	Total LA DSG Allocations (£m)	Total DSG (£m) Available
Schools Block	86.824	-39.877	46.947	86.824	-40.605	46.219	-0.728
Central Schools Block	1.305		1.305	1.305		1.305	0
Early Years Block	13.432		13.432	12.560		12.560	-0.872
High Needs Block	19.296	-1.618	17.678	19.128	-1.757	17.371	-0.307
<b>Total</b>	<b>120.857</b>	<b>-41.495</b>	<b>79.362</b>	<b>119.817</b>	<b>-42.362</b>	<b>77.455</b>	<b>-1.907</b>
17/18 EY adjustment						0.366	0.366
<b>Total Available</b>						<b>77.821</b>	<b>-1.541</b>

## DSG Budget Monitoring 2018/19

- 5.2 The changes, and impact of each change on the 2018/19 DSG budget are as follows:
- Schools Block - £728k academy recoupment for New Christ Church school. This has no impact on the overall DSG budget, as this is just a transfer of funding to the ESFA to pay the new academy direct, and the schools block budget reduces by the same amount.
  - Early Year's Block - £872k reduction based on the take up of places recorded in the January 2018 census. This is however matched by a reduction in the expenditure budget, assuming actual take up during the year reflects this reduction. Therefore, at this stage, there is no impact on the budget.
  - High Needs Block - £139k additional recoupment for additional high needs places agreed in academy schools (mainly at The Avenue); £168k reduction in grant due to the recalculation of the import/export adjustment. The overall impact is £307k increase in the HNB deficit.
- 5.3 In addition, the DSG in 2018/19 has been adjusted to reflect the actual allocation for the Early Years Block in 2017/18, which is based on 5/12 of the January 2017 census and 7/12 of the January 2018 census. This has resulted in a claw back of £456k. The actual 2017/18 year end accounts assumed a claw back of £822k, so an additional allocation of £366k is available (unallocated) in 2018/19, taking the total to £77.821m.
- 5.4 As part of the budget setting, it was agreed that there would be a transfer of £434k from the Schools Block to the High Needs Block towards the high needs deficit, plus central licences are being met from the Schools Block allocation.

## 6. DSG BUDGET MONITORING 2018/19 UPDATE

- 6.1 Every Local Authority has to produce the Section 251 (S251) Budget and Outturn per year. The S251 Budget is uploaded onto the council website every April. Link: <http://www.reading.gov.uk/section251-budget-statements>. (Other Education and Children's budget data are also within the S251 statement).
- 6.2 Appendix 2 contains the latest in year budget monitoring position for the DSG, split between the four funding blocks, and broken down by the reporting lines for the DSG section of S251.
- 6.3 Appendix 3 contains brief notes on what is included in each line of the budget report.
- 6.4 Table 2 summarises the current overall position.

Table 2: Summary Budget Monitoring Position

	Original Budget (£m)	Virements £m	Current Budget (£m)	Forecast Outturn £m	Variance £m
Schools Block	46.409	-0.728	45.681	45.681	0
Central Schools Block	1.408	0	1.408	1.408	0
Early Years Block	13.432	-0.872	12.560	12.560	0
High Needs Block	18.112	0	18.112	20.534	2.422
<b>Sub Total - Net Expenditure</b>	<b>79.360</b>	<b>-1.600</b>	<b>77.760</b>	<b>80.183</b>	<b>2.422</b>
DSG Allocation	79.361	-1.541	77.821	77.821	0
<b>Balance Over/(Under) Allocated</b>	<b>-0.002</b>	<b>-0.059</b>	<b>-0.061</b>	<b>2.362</b>	<b>2.422</b>

6.5 The current forecast is that the year will close with a £2.362m deficit on the DSG against a revised budget of £0.061m surplus i.e. in-year expenditure plus pay back of brought forward deficit will not be met by the in-year allocation of grant. The over spend is all on the high needs block, and it is assumed that the additional allocation in the early years block (set out in paragraph 5.3) is not required specifically in this block and will go towards offsetting the deficit.

## 7. VARIANCES

### 7.1 Schools Block (SB)

- There will only be a variance on primary and secondary school delegated allocations if the actual business rates bills vary from the budget. The position will be reviewed for the December report.
- The Growth Fund for 2018/19 has been set at £900k. Once the October census data is available the allocations from this fund will be calculated. There may be an under spend due to the LA budgeting for one expansion class that was not allocated due to the various reception places vacant in schools (£60k saving for 2018/19).
- It is likely that the Falling Rolls fund of £100k will not be used at all in 2018/19, and the LA will review a primary school falling rolls scheme that will be based on October 2018 Census but be paid out for 2019/2020. Reports will come to Schools' Forum in the future to see the actual impact and what can be done to assist the low birth rate years.
- De-delegations are contributions to central services and unlikely to overspend as the LA would pick this up.

### 7.2 Central Schools Services Block (CSSB)

- Most of the central school services budgets are classed as contributions and the majority of areas will not be overspent as the LA would pick up any over spends. There will be no variance on copyright licences, as this is a national contract agreed in advance.

### 7.3 Early Years Block (EYB)

## DSG Budget Monitoring 2018/19

- The majority of Early Years Funding (97%) is relating to the free early year's entitlement for 2, 3 and 4 year olds. The budget is based on the average hours funded in the previous year at the set hourly rate. The DSG funding due to be received is based on an average of the January 2018 and 2019 census numbers (see paragraphs 5.2 and 5.3), so in theory, as expenditure is based on the actual uptake of entitlement for each term, any increase or decrease in numbers during the year compared to the January 2018 census and DSG allocation should be funded or funding will be clawed back (by the ESFA) in the following year if there is an overallocation. This assumes that the January census represents a close average for the whole year.
- The maintained nursery grant received within the DSG has been reduced by £53k (due to a reduction in numbers between January 2017 and January 2018), though this amount will not be clawed back from the nursery schools. This may result in a pressure, though at the moment it is assumed that the overall reduction in take up and thus expenditure will offset this.
- Other budgets that pay for central spend are mainly contributions and will not have a variance. They will be reviewed throughout the year.
- The Early Years adjustment to the DSG of £366k (referred to in paragraph 5.3) is contingency funding, which if not required in the early years block, will offset over spends in the high needs block.

### 7.4 High Needs Block (HNB)

- The High Needs Block has been overspending for many years and the LA has introduced SEND projects (Strands) to implement future SEN processes/resource building and help achieve the reduction of the DSG deficit that stood at £2.9m at 31<sup>st</sup> March 2018. Details of progress on these projects come under the separate report.
- The LA has also invested some funds to improve the SEND commissioning element that will review SEND placements/Contracts. This will complement the work that the Strands are doing.
- The over spend for 2018/19 is currently forecast to be £2.7m after also taking into account the actual deficit brought forward and the revised DSG allocation for the year. The forecast for top ups has been updated taking into account the transition changes for the new academic year, and this overspend has now increased by £400k from the £1.352m reported in July.
- The number of pupils receiving top up funding has risen from 1,166 in March, to 1,199 in July, and is now in October at 1,361, an increase of 195 since March.
- The overall current over spend position of the HNB is made up as follows:

Difference between budgeted deficit b/f and actual deficit b/f	£0.666m
Top up funding - forecast over spend	£1.747m
Other forecast overspends	£0.009m
Total Expenditure budget over spend	<u>£2.422m</u>
Add: Reduction in DSG HNB allocation	<u>£0.307m</u>
Total over spend on HNB	<u>£2.729m</u>

### 7.5 Overall Position

## DSG Budget Monitoring 2018/19

- The LA is forecasting a £2.4m overspend on the DSG by the end of March 2019, made up of £2.7m HNB less £0.3m contingency in EYB. There may be further changes for SEN placements that have not yet been agreed, and possible pressures in the EYB (using some or all of the EYB contingency), so this forecast is unlikely to go down.
- Table 3 shows the latest view on what is happening regarding the continuing impact of the High Needs pressure. *This is based on all positive variances going towards the High Needs deficit*

**Table 3: DSG Surpluses and Deficits by Block since 2014**

	B/Fwd	HNB	EYB	SB	Budget	Total
Year	£m	£m	£m	£m	£m	£m
14-15	(0.371)	1.220	(0.793)	(0.056)	0.000	0.000
15-16	0.000	2.111	0.000	(0.054)	0.000	2.057
16-17	2.057	2.010	0.000	0.169	(0.839)	3.397
17-18	3.397	1.873	(0.323)	(0.327)	(1.759)	2.860
18-19	2.860	2.063	(0.366)	0.000	(2.193)	2.364
19-20	2.364	0.000	0.000	0.000	(0.795)	1.569
20-21	1.569	0.000	0.000	0.000	(1.543)	0.026

- The table shows that the deficit will be largely paid off by the end of 2020/21 if one off savings are found or further transfers of funding from other blocks are made of approximately £0.750m in 2019/20 and £1.150m (less any ongoing savings made in 2019/20) in 2020/21. These figures assume that current HNB spending can be contained at the current level of spend once the impact of the SEND projects are realised, and that HNB DSG funding goes up by a minimum of 0.5%.

### Appendices

Appendix 1 - DSG Allocation 2018/19

Appendix 2 - Summary DSG Budget Report

Appendix 3 - Additional Information per service

Appendix 1 - DSG Allocations 2018/19

DSG Allocation 2018/19 - July 2018 update					
	December 2017 Notification		July 2018 Notification		Change
<b>Schools Block</b>					
Pupil Numbers Primary	13,320.0		13,320.0		
Rate	£3,938.01		£3,938.01		
Allocation		£52,454,293		£52,454,293	£0
Pupil Numbers Secondary	6,057.0		6,057.0		
Rate	£5,105.75		£5,105.75		
Allocation		£30,925,528		£30,925,528	£0
Growth Funding		£3,443,696		£3,443,696	£0
Premises Funding					
<b>Gross Allocation</b>		<b>£86,823,517</b>		<b>£86,823,517</b>	<b>£0</b>
Academy Recoupment		-£39,876,799		-£40,604,564	-£727,765
actual funding rounding adjustment		-£18		£47	£65
<b>Schools Block Net Total</b>		<b>£46,946,700</b>		<b>£46,219,000</b>	<b>-£727,700</b>
<b>Central School Services Block</b>					
Pupil Numbers	19,377		19,377		
Rate	£32.27		£32.27		
Allocation		£625,296		£625,296	£0
Historic Commitments		£680,000		£680,000	£0
actual funding rounding adjustment		4		-£296	-£300
<b>Central School Services Block Net Total</b>		<b>£1,305,300</b>		<b>£1,305,000</b>	<b>-£300</b>
<b>High Needs Block</b>					
Formula		£20,156,112		£20,156,112	£0
Place Numbers - Special Schools	215.0		215.0		
Place Numbers - Alternative Provision	41.0		41.0		
Rate	£4,208.94		£4,208.94		
Allocation		£1,077,489		£1,077,489	£0
Import/Export Adjustment	-323		-351		
Rate	£6,000.00		£6,000.00		
Allocation		-£1,938,000		-£2,106,000	-£168,000
<b>Gross Allocation</b>		<b>£19,295,601</b>		<b>£19,127,601</b>	<b>-£168,000</b>
Recoupment - academy/post 16 places		-£1,618,000		-£1,756,993	-£138,993
actual funding rounding adjustment		-1		£392	£393
<b>High Needs Block Net Total</b>		<b>£17,677,600</b>		<b>£17,371,000</b>	<b>-£306,600</b>
<b>Early Years Block</b>					
3 & 4 year olds Universal - Schools	1,457.0		1,396.0		
3 & 4 year olds Universal - PVI	1,617.4		1,496.0		
3 & 4 year olds Additional - Schools	837.6		198.4		
3 & 4 year olds Additional - PVI			628.7		
<b>Total</b>	<b>3,912</b>		<b>3,719</b>		
Rate	£5.14		£5.14		
Allocation - Universal - Schools		£4,268,719		£4,090,001	-£178,718
Allocation - Universal - PVI		£4,738,746		£4,382,981	-£355,766
Allocation - Additional - Schools		£2,454,000		£581,272	-£1,872,728
Allocation - Additional - PVI		£0		£1,841,965	£1,841,965
2 year olds - schools	24.0		67.0		
2 year olds - PVI	424.4		314.1		
<b>Total</b>	<b>448.4</b>		<b>381.1</b>		
Rate	£5.74		£5.74		
Allocation		£1,467,173		£1,246,883	-£220,290
PPG - schools	271.7		226.0		
PPG - PVI	185.2		120.4		
<b>Total</b>	<b>456.9</b>		<b>346.4</b>		
Rate	£0.53		£0.53		
Allocation		£138,020		£104,647	-£33,373
DAF - eligible pupils	54.0		54.0		
Rate	£615.00		£615.00		
Allocation		£33,210		£33,210	£0
Maintained Nursery Grant		£331,883		£278,895	-£52,988
actual funding rounding adjustment		48		£145	£97
<b>Early Years Block Net Total</b>		<b>£13,431,800</b>		<b>£12,560,000</b>	<b>-£871,801</b>
<b>SUMMARY NET IN YEAR ALLOCATION</b>					
Schools Block		£46,946,700		£46,219,000	-£727,700
Central School Services Block		£1,305,300		£1,305,000	-£300
High Needs Block		£17,677,600		£17,371,000	-£306,600
Early Years Block		£13,431,800		£12,560,000	-£871,801
<b>TOTAL DSG ALLOCATION IN YEAR</b>		<b>£79,361,400</b>		<b>£77,454,999</b>	<b>-£1,906,401</b>
<i>(CHECK TO GRANT NOTIFICATION RECEIVED)</i>					
		£79,254,000		£77,455,000	
<b>Grant Adjustments</b>					
Early years clawback for 2017/18 (difference in provision made)				£365,840	
Transfer from School Block		-£434,000		-£434,000	
Transfer from School Block		-£102,300		-£102,300	
Transfer to CSSB		£102,300		£102,300	
Transfer to HN Block		£434,000		£434,000	
<b>DSG AVAILABLE</b>					
Schools Block		£46,410,400		£45,682,700	
Central School Services Block		£1,407,600		£1,407,300	
High Needs Block		£18,111,600		£17,805,000	
Early Years Block		£13,431,800		£12,925,840	
<b>TOTAL DSG AVAILABLE</b>		<b>£79,361,400</b>		<b>£77,820,839</b>	

## DSG Budget Monitoring 2018/19

### Appendix 2 - Summary DSG Budget Report

Summary DSG Budget Monitoring Report - as at 30 September 2018								
new line	S251 Line	Description	Original Budget £m	Virements £m	Current Budget £m	Forecast Outturn £m	Variance £m	old line
<b>Schools Block</b>								
1	1.0.1 (p)	Individual Schools Budget - Maintained Schools	44.930	-0.728	44.202	44.202	0.000	25
2	1.4.5	Falling Rolls Fund	0.100	0.000	0.100	0.100	0.000	18
3	1.4.10	Growth Fund	0.900	0.000	0.900	0.900	0.000	20
4	1.1.2	Behaviour Support Services (de-delegation)	0.178	0.000	0.178	0.178	0.000	1
5	1.1.3	Support to UPEG and Bilingual Learners (de-delegation)	0.040	0.000	0.040	0.040	0.000	2
6	1.1.9	Staff costs supply cover (trade unions) (de-delegation)	0.045	0.000	0.045	0.045	0.000	3
7	1.1.10	School Improvement (de-delegation)	0.141	0.000	0.141	0.141	0.000	4
8	1.6.4	Statutory/regulatory Duties (ESG) (de-delegation)	0.075	0.000	0.075	0.075	0.000	23
9		<b>Sub Total Schools Block Net Expenditure</b>	<b>46.409</b>	<b>-0.728</b>	<b>45.681</b>	<b>45.681</b>	<b>0.000</b>	
10		Schools Block DSG Allocation	46.410	-0.728	45.683	45.683	0.000	
11		<b>Balance Over / (Under) Allocated</b>	<b>-0.002</b>	<b>0.000</b>	<b>-0.002</b>	<b>-0.002</b>	<b>0.000</b>	
<b>Central Schools Services Block</b>								
12	1.4.1	Contribution to combined budgets	0.630	0.000	0.630	0.630	0.000	15
13	1.4.2	School admissions	0.215	0.000	0.215	0.215	0.000	16
14	1.4.3	Servicing of schools forum	0.020	0.000	0.020	0.020	0.000	17
15	1.4.7	Prudential borrowing costs	0.050	0.000	0.050	0.050	0.000	19
16	1.4.14	Other Items (copyright licences)	0.102	0.000	0.102	0.102	0.000	22
17	1.5.3	Statutory/regulatory Duties (ESG)	0.390	0.000	0.390	0.390	0.000	23
18		<b>Sub Total Central School Services Block Net Expenditure</b>	<b>1.408</b>	<b>0.000</b>	<b>1.408</b>	<b>1.408</b>	<b>0.000</b>	
19		Central School Services Block DSG Allocation	1.408	-0.000	1.407	1.407	0.000	
20		<b>Balance Over / (Under) Allocated</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	
<b>Early Years Block</b>								
21	1.0.1 (p)	Early Years Funding (free entitlement)	12.750	-0.872	11.878	11.878	0.000	25/27
22	1.2.8 (p)	Support for inclusion	0.100	0.000	0.100	0.100	0.000	12
23	1.2.5 (p)	SEN support services	0.182	0.000	0.182	0.182	0.000	9
24	1.3.1	Central expenditure on early years entitlement	0.400	0.000	0.400	0.400	0.000	14
25		<b>Sub Total Early Years Block Net Expenditure</b>	<b>13.432</b>	<b>-0.872</b>	<b>12.560</b>	<b>12.560</b>	<b>0.000</b>	
26		Early Years Block DSG Allocation	13.432	-0.506	12.926	12.926	0.000	
27		<b>Balance Over / (Under) Allocated</b>	<b>-0.000</b>	<b>-0.366</b>	<b>-0.366</b>	<b>-0.366</b>	<b>0.000</b>	
<b>High Needs Block</b>								
28	1.0.2 (p)	SEN placements (first £10k)	2.197	0.000	2.197	2.197	0.000	26
29	1.2.1	Top up funding - maintained schools	4.675	0.000	4.675	5.182	0.507	5
30	1.2.2	Top up funding - Academies, Free Schools and Colleges	3.900	0.000	3.900	4.820	0.920	6
31	1.2.3	Top up and other funding - non maintained & independent prov	2.900	0.000	2.900	3.220	0.320	7
32	1.2.4	Additional high needs targeted funding	0.192	0.000	0.192	0.192	0.000	8
33	1.2.5 (p)	SEN support services	0.370	0.000	0.370	0.370	0.000	9
34	1.2.6	Hospital education services	0.198	0.000	0.198	0.198	0.000	10
35	1.2.7/1.2.12	Other alternative provision services	0.292	0.000	0.292	0.292	0.000	11
36	1.2.8 (p)	Support for inclusion	0.750	0.000	0.750	0.759	0.009	12
37	1.2.13	Therapies and other health related services	0.345	0.000	0.345	0.345	0.000	13
38	1.4.11	SEN Transport	0.100	0.000	0.100	0.100	0.000	21
39		Repayment of DSG deficit from previous year	2.193	0.000	2.193	2.860	0.666	28
40		<b>Sub Total High Needs Block Net Expenditure</b>	<b>18.112</b>	<b>0.000</b>	<b>18.112</b>	<b>20.534</b>	<b>2.422</b>	
41		High Needs Block DSG Allocation	18.112	-0.307	17.805	17.805	0.000	
42		<b>Balance Over / (Under) Allocated</b>	<b>0.000</b>	<b>0.307</b>	<b>0.307</b>	<b>2.729</b>	<b>2.422</b>	
43		<b>Total All Blocks Net Expenditure</b>	<b>79.360</b>	<b>-1.600</b>	<b>77.760</b>	<b>80.182</b>	<b>2.422</b>	
44		Total DSG Allocation Available	79.361	-1.541	77.821	77.821	0.000	
45		<b>Balance - Deficit / (surplus) In Year</b>	<b>-0.002</b>	<b>-0.059</b>	<b>-0.061</b>	<b>2.361</b>	<b>2.422</b>	
<b>Memorandum - Budgets Recouped from Gross DSG Allocation</b>								
46	1.0.1 (p)	Individual Schools Budget - Academies	39.877	0.728	40.605	40.605	0.000	
47	1.0.2 (p)	SEN placements - Academies & Post 16	1.618	0.139	1.757	1.757	0.000	
48		<b>Total DSG Recouped</b>	<b>41.495</b>	<b>0.867</b>	<b>42.361</b>	<b>42.361</b>	<b>0.000</b>	



### Appendix 3: Additional information for Appendix 2 table

Explanations of DSG reporting lines.

#### **SCHOOLS BLOCK**

Line 1 - Individual School Budget - Schools formula budget for maintained Primary's and Secondary's.

Line 2 - Falling Rolls Fund - The falling rolls budget, was originally set-up for Secondary schools that had more than 30 pupil reduction in Year 7 from one year to the next. This will be reviewed and adapted for Primary's with Schools' Forum.

Line 3 - Growth fund - The growth fund budget is for schools with exceptional pupil number growth in the autumn term and is allocated to schools based on the criteria set by Schools' Forum.

#### **DE-DELEGATIONS - Maintained Primary or/and Secondary Schools Only:**

Line 4 - Behaviour Support Services - Passported to Cranbury College to supply this service.

Line 5 - Support to UPEG and Bilingual Learners - Also known as Equality services. This service is closing down from July 2018.

Line 6 - Staff Costs to Supply Union Cover - Union support with supply cover for union duties.

Line 7 - School Improvement - To fund staff and Projects within the service.

Line 8 - Statutory/regulatory duties - formally known as the Education Services Grant, for duties carried out by the LA on behalf of all maintained schools.

#### **CENTRAL SCHOOLS SERVICES BLOCK**

Line 12 - Combined Budgets - cover areas such as Commissioning, school improvement advisors, MASH (Multi Agency Safeguarding Hub), virtual school for looked after children, Early Help - children action teams that covers family workers, Welfare, CAMHs and Education Psychology.

Line 13 - School Admissions - contribution towards Admissions for all Reading Schools.

Line 14 - Servicing of Schools Forum - Preparation for Schools forum.

Line 15 - Prudential Borrowing costs - Borrowing costs for schools capital programme has historically been and will be funded by borrowing over many years. This is a small contribution to the overall borrowing costs.

Line 16 - Other Items - Copyright licences - national contract, purchased on behalf of all schools.

Line 17 - Statutory/regulatory duties - formally known as the Education Services Grant, for duties carried out by the LA for all schools, including academies.

**EARLY YEARS BLOCK**

Line 21 - Early Years formula funding - 2,3 & 4 year old free entitlement funding including deprivation and early Years pupil premium and other early years grants relating to maintained nurseries and disability.

Line 22 - Support for Inclusion (combined with line 36) - Early Years Cluster funding and central staffing in Education department. Supports inclusion of children in early year's settings, supporting inclusive practices and resources that enable young children with SEND to have their needs met in these settings.

Line 23 - SEN Support Services (combined with line 33) - provision for early years settings.

Line 24 - Central Expenditure on Children under 5 - Early Years Team Staff and other central early years budgets.

**SEN /HIGH NEEDS BLOCK**

Line 28 - SEN Placements - Placement funding for pre 16 maintained Resources (first £6k), special Schools (first £10k), and alternative provision (Cranbury College).

Line 29 - Top-up funding for maintained providers - EHCP top-ups for maintained early years, primary, secondary, special and alternative provisions within any LA that has a Reading financial responsibility for the EHCP. This also includes Pupils without EHCPs in Pupil referral units

Line 30 - Top-up funding for Academies and Colleges - EHCP top-ups for Academies, free schools and colleges within the Early years, primary, secondary, special, alternative and college provisions within any LA that has a Reading financial responsibility for the EHCP

Line 31 - Top-up funding and other funding - non maintained and Independents - EHCP Top-ups for Independent and non-maintained special schools.

Line 32 - Top-up funding additional - Includes Nursery Provision (Snowflakes) and some projects relating to pupils.

Line 33 - SEN Support Services (combined with line 23) - This includes Sensory Consortium (joint arrangement with other Berkshire LAs), Portage and ASD Outreach commissioned to Christ The King.

Line 34 - Hospital Education Services - This includes Hospital Education unit at Royal Berkshire Hospital and Education for Pupils in Tier 4 CAMHS specialist independent mental health hospital provision which is commissioned by NHS England

Line 35 - Other Alternative Provisions - this includes Cranbury Post 16 provision and Dingley Contract.

Line 36 - Support for Inclusion (combined with line 22) - New Inclusion fund, and central staffing (2 posts) in Education department, one for statutory functions including monitoring exclusions and one for ASD advisory support. Includes Manor inclusion project, hard to place and cluster funding. Also traveller education and virtual school children looked after.

Line 37 - Therapies and other Health Related services - Contribution towards Speech and Language, Occupational and Physio therapy. Jointly funded with the Clinical Commissioning Group.

Line 38 - SEN Transport - Contributions to SEN School Travel

Line 39 - Repayment of deficit (17-18 C/FWD) - Overall £2.860m deficit has been reported to the DfE as Reading's carry forward on DSG. This is where the £2.193m deficit budget sits that includes minus 0.5% reductions from schools in 16-17 and 17-18 and 0.5% lump sum removed from Schools block in 18-19.

#### RECOUPMENT

Line 46 - Individual School Budget - School formula budgets recouped for primary and secondary academies.

Line 47 - SEN Placements - Placement funding recouped for post 16 places (at £6k per place), and academy resource unit places (£6k) and special school places (£10k).