

READING BOROUGH COUNCIL

REPORT BY FINANCIAL SERVICES

TO:	Reading Schools Forum		
DATE:	19 March 2015	AGENDA ITEM:	4
TITLE:	2014/15 Budget Blocks Monitoring		
SERVICE:	Education & Children's Services	WARDS:	All
AUTHOR:	STEVEN DAVIES	TEL:	0118 937 4161
JOB TITLE:	Education & Schools Accountant	E-MAIL:	Steven.Davies@Reading.gov.uk

1. PURPOSE AND SUMMARY OF REPORT

1.1 This report identifies the latest position with regard to the DSG in 2014/15.

2. RECOMMENDED ACTION FOR SCHOOLS FORUM

2.1 To note the budget monitoring figures for 2014/15 at Appendix 1 namely a pressure of £1.3m on the High Cost Block which is being offset by the carry forward DSG from 2012/13 of £371k to give a net pressure of £0.9m. There is also a separate report on the High Cost Block on the agenda with regard to an actions to address the budget gap 2015/16.

2.2 With regard to the Early Years Block there is a separate report on the agenda which identifies the potential scope to transfer £0.8m from that block to partly fund the net pressure above.

2.3 On the schools block there is an anticipated £50k underspend which will be transferred to the High Cost Block.

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 DSG funds schools and is ring fenced for school pupil activity. The DSG is based a variety of data sources as noted in brackets below. The grant received is split between the:

- Schools Block (October Census);
- Early Years Block (Jan 14 and Jan 15 Census);
- High Needs Block

4.2 Schools Forum would need to approve any overspends on the DSG being carried forward. Underspends on the DSG are carried forward to support the future year's blocks.

4.3 The Authority must ensure that DSG is correctly spent and needs to monitor the outturn position so as to inform the impact upon the new year budget position. The budget monitoring of the Authority distinguishes between how services are funded, between blocks.

5 BUDGET MONITORING 2014/15

5.1 The detailed budget monitoring is attached as Appendix 1 to the report. There is a forecast overspend on the high cost block by £1.3m. After taking account of the carried forward surplus of £0.4m, the net pressure is £0.9m. The Authority is intending to fund this by utilising a transfer of £0.8 m from the early years, together with a £0.1m anticipated underspend in the schools block.

5.2 Schools Forum is asked to note the current position on budget monitoring. Further updates will provided to Schools Forum in May.

5.3 The budget gap on the high cost block for 2015/16 is the subject of a separate report on the agenda.

Appendix 1: 2014/15 DSG BUDGET MONITORING

Description	Total Budget (£m)	Estimated Variance
Behavior support services	0.135	
Support to UPEG and bilingual learners	0.085	
Staff costs supply cover	0.051	
Top up funding - maintained providers	4.697	
Top up funding - Academies and Colleges	2.641	0.500
Top up and other funding - independent	2.570	0.500
Other AP provision	0.100	0.300
SEN support services	1.008	
Hospital education services	0.111	
Elective Home Education	0.016	
Support for inclusion	0.508	
Central expenditure on children under 5	0.470	
Contribution to combined budgets	0.605	
School Admissions	0.101	
Servicing of schools forums	0.020	
Termination of employment costs	0.025	
Capital expenditure from revenue (CERA)	0.197	
Prudential borrowing costs	0.050	
Equal pay - back pay	0.550	
Pupil growth/ Infant class sizes	1.027	(0.050)
SEN transport	0.100	
Exceptions agreed by Secretary of State	0.082	
Total	15.149	1.250
Individual Schools Budget	50.337	
SEN Placements (First 10k)	2.230	
Early Years 2-3 year old Funding	6.045	
Central Establishment Charges	0.239	
13-14 C/FWD (Surplus)	0.000	(0.371)
Total	58.851	0.879
Total ALL	74.000	

←-----BUDGET SPLIT14-15 ----->

Early Years Block (£m)	High Needs Block (£m)	Schools Block (£m)
-	-	0.135
-	0.035	0.050
-	-	0.051
-	4.697	-
-	2.641	-
-	2.570	-
-	0.100	-
-	1.008	-
-	0.111	-
-	0.016	-
-	0.508	-
0.470	-	-
-	-	0.605
-	-	0.101
-	-	0.020
-	-	0.025
0.039	0.016	0.142
0.002	0.001	0.0475
0.019	0.005	0.526
-	-	1.027
-	0.100	-
0.035	-	0.047
0.403	11.658	2.809
3.335	-	47.002
-	2.230	-
6.045	-	-
0.005	0.226	0.008
0.000	0.000	0.000
9.355	2.456	47.010
9.758	14.114	49.818