

Bristol Schools Forum
DSG Budget Monitor 2019/20 P8

Date of meeting:	15 January 2020
Time of meeting:	5.00 pm
Venue:	Writing Room, City Hall

1 Purpose of report

- 1.1 This report provides an update on the forecast financial position for the DSG overall as at Period 8 (to end November 2020).

2 Recommendation

2.1 Schools Forum is invited to:

- a) **note the latest in-year 2019/20 position for the overall DSG.**

3 Background

- 3.1 A DSG Overview paper was presented to Schools Forum on 26 November 2019, giving the financial position as at the end of Period 6 (end of September 2019). At this point the forecast carry forward was a surplus of £2,615m, this included the £2.407m additional budget approved from 2020/21 funding.
- 3.2 The report updates Schools Forum on the position at Period 8 (end of November) 2019/20.

4 Budget monitoring 2019/20

- 4.1 The previously reported position in September 2019 was a forecast £0.653m in-year surplus on the Dedicated Schools Budget at Period 6 2019/20.
- 4.2 This position has moved adversely by £1.614m giving an in-year deficit of £0.961m, taking this from the brought forward balance gives a forecast surplus carry forward at year end of £1.001m. The movements are in the Early Years block and the High Needs block and are detailed below. The Period 8 position is set out in **Table 1** with more detail set out in **Appendix 1**.

Table 1: Forecast position on overall DSG for 2019/20 at Period 8 (September 2019)

	<i>b/f</i>	<i>DSG Funding 2019/20</i>	<i>Forecast Outturn Period 08 2019/20</i>	<i>In-year variance</i>	<i>Forecast Carry- forward Period 08 2019/20</i>	<i>Forecast Carry- forward Period 06 2019/20</i>	<i>Movement Period 06 to Period 08</i>
Schools Block		259,445	259,445				
De-delegation	(414)	0			(414)	(414)	0
Schools Central Block		2,329	2,329				
Early Years	(1,115)	36,461	36,045	(416)	(1,531)	(1,874)	343
High Needs Block Funding	(433)	58,904	60,281	1,377	944	(327)	1,271
		(354,732)	(354,732)				
Total	(1,962)	2,407	3,368	961	(1,001)	(2,615)	1,614

Note – the DSG funding column includes £2.407m of accelerated funding from 2020/21.

- 4.3 **Schools Block (Nil variance).** All of the formula funding for maintained schools and academies has been allocated. The only scope for variation is in the growth fund. Spend on the growth fund will depend on the pupil number information included on the October 2019 pupil census, this data has only just been released so any variation will be calculated and reported at the next meeting. The provision is sufficient to cover expected commitments.
- 4.4 **De-delegated resources (-£0.414m forecast underspend).** While this is being reported as not moving during 2019/20, there will be some calls on the Schools in Financial Difficulty balance, but none have so far been included in the forecast.
- 4.5 **School Central Services Block (Nil Variance).** It is expected that all of the services in this block will spend to budget.
- 4.6 **Early Years Block (-£1.874m forecast underspend).** The Early Years DSG income is based on 5/12ths of the January 2019 census and 7/12ths of the January 2020 census. As the profile of participation in 2018/19 generated an underspend in excess of £1m, a similar level of participation will generate a similar underspend.
- 4.7 A 19% reduction in participation for 2 Year Olds has been forecast, which is being pursued by Early Years team. This will reduce funding by £415k (as 7/12ths is derived from the January 2020 census), the related expenditure is calculated at different census points (May, October and January) and is estimated to reduce by £719k.
- 4.8 The expenditure forecast has been updated to take into account the census figures for January and May 2019, further adjustments will be made when the effect of the October census figure is announced, the final position will not be known until the January 2020 census is available.

- 4.9 The block is continuing to forecast an underspend, which reflects falling participation levels. The current in-year underspend is ££0.416m, this figure has reduced by £0.343m since period 6.
- 4.10 The brought forward amount from 2018/19 is £1.115m. £0.517m was earmarked for the local maintained nursery supplement. £0.208m was agreed in May 2019 as an uplift to the SEND rates for early years settings in 2019/20. At the September Forum meeting it was agreed that the remaining £0.390m was able to be spent on improving quality of eligible two year old provision and subsidies for settings that take eligible two year old in areas of disadvantage.
- 4.11 **High Needs Block (£0.327m forecast underspend).** The High Needs block is forecasting an in-year overspend of £1.377m at this stage of the year. The High Needs budget approvals for 2019/20 included £2.407m additional funding from 2020/21 in advance, this will affect the funding available in 2020/21.
- 4.12 There are emerging pressures within the block, particularly in Out of Area Placements and for Alternative Provision, this has resulted in an increase in forecast expenditure of £1.271m since period 6, giving a forecast in-year overspend of £1.377m. At the meeting in November Forum asked for details of AP spend, a breakdown is included in Appendix 2.
- 4.13 **Funding (Nil Variance).** £355.148m is the latest DSG notified by the ESFA, this has been reduced by £0.415m to give a total figure of £354.732m reflecting the expected decrease to the Early Years DSG due to estimated reduced pupil numbers in the January 2020 census.

**Appendix 1 - Forecast position for Overall DSG 2019/20 as at Period 8
(Block financing position)**

	Brought forward 1.4.19 £'000	Funding 2019/20 £'000	Forecast Outturn Period 08 2019/20 £'000	In-year movement £'000	Carry forward 31.3.20 £'000
Maintained Schools		80,270	80,270		
Academy Recoupment		176,829	176,829		
Growth Fund		2,346	2,346		
Schools Block		259,445	259,445		
De-delegation Services	(414)				(414)
Admissions		351	351		
Centrally Retained		1,978	1,978		
Schools Central Services		2,329	2,329		
National Formula		28,369	28,223	(145)	
2 Year Old Funding		3,722	3,085	(637)	
Pupil Premium (EYPP)		299	312	12	
Additional Support Services		805	809		
SEN Top up		1,250	1,253	4	
Staffing		1,916	2,308	392	
Disability Access Fund		100	55	(45)	
Early Years Block	(1,115)	36,461	36,045	(416)	(1,531)
Commissioned Services		2,499	2,372	(128)	
Core Place Funding		10,514	10,026	(488)	
Staffing		974	919	(54)	
Top Up		26,753	28,694	1,941	
Placements		7,438	7,746	308	
Pupil Support		740	640	(101)	
HOPE Virtual School		236	234	(2)	
Academy Recoupment		9,650	9,650		
High Needs Block	(433)	58,904	60,281	1,377	944
Funding		(354,732)	(354,732)		
Total	(1,962)	2,407	3,368	961	(1,001)

Appendix 2 – Breakdown of Alternative Provision expenditure.

ALP activity			
Type	Establishment	Budget (£)	Forecast (£)
EIB Funding	CLF Nest	150,000	150,000
EIB Funding	Woodstock	150,000	300,000
EIB Funding	Lansdown Park	150,000	150,000
EIB Funding	sub-total	450,000	600,000
BHES	Bristol Hospital Education Service	2,155,000	2,155,000
BHES	sub-total	2,155,000	2,155,000
ALP Block Contracts	BFA [inc in recoupment]		-
ALP Block Contracts	LPW [closed]		52,051
ALP Block Contracts	LPW		105,769
ALP Block Contracts	Include (Catch 22) [closed]		180,923
ALP Block Contracts	Include (Catch 22) [closed]		105,452
ALP Block Contracts	CLF		700,000
ALP Block Contracts	sub-total	1,075,230	1,144,196
ALP Spot Purchasing		943,480	936,148
ALP Spot Purchasing	sub-total	943,480	936,148
PRU Top-up	Lansdown Park		325,193
PRU Top-up	St Matthias		605,512
PRU Top-up	Bristol Futures Academy		480,375
PRU Top-up	sub-total	1,039,130	1,411,081
Pupil Referral Unit place funding, funded via recoupment directly by ESFA from LA HNB gross allocation			
Type	Establishment	Budget	Forecast
PRU Places	Lansdown Park	689,167	689,167
PRU Places	St Matthias	650,000	650,000
PRU Places	Bristol Futures Academy	583,333	583,333
PRU Places	sub-total	1,922,500	1,922,500
TOTAL AP Spend		7,585,340	8,168,925