

WIRRAL COUNCIL

SCHOOLS FORUM – 27th SEPTEMBER 2011

REPORT OF INTERIM DIRECTOR OF CHILDREN'S SERVICES

DSG, FINAL 2011-12 GRANT NOTIFICATION AND CENTRAL LIMIT

1.0 EXECUTIVE SUMMARY

1.1 This report confirms the amount of Dedicated School Grant received in respect of 2011-12 is £229,425,000 (before any academy adjustments.). There is an additional amount of £165,000 which will be carried forward and included in the budget for 2012-13. In addition the report confirms a breach in the Central Expenditure Limit for 2011-12.

2.0 BACKGROUND

The Forum agreed to carry forward any DSG grant balances until the end of the 2008-11 funding period. At the 31st March 2011 this totalled £0.8 m plus a £1 m underspend in year. These amounts have been earmarked for Harmonisation back pay in schools.

DSG for 2011-12 is calculated from January 2011 PLASC and Early Years Census Data. This information can not be finalised before the budget process has been completed and was finally confirmed by the DFE on 13th July.

The Schools Budget was set using an expected level of DSG of £229,260,200. This represented estimated pupil numbers (including Early Years) of 45,642 and a Guaranteed Unit of Funding (GUF) of £5,023.01 The pupil data and GUF have now been agreed nationally for all authorities, allowing the DFE to set final DSG allocations.

3.0 DSG 2010-11

The census data for Wirral has a pupil count of 45,626 (16 fewer) and a GUF which is £5,028.39 (£5.38 higher). The combined effect of these changes will result in £165,000 more grant.

4.0 Central Limit

The Central Expenditure Limit is the limit the authority can retain from the Schools Budget and spend centrally on behalf of schools. The increase (or decrease) should match overall increases or decreases in delegated school budgets, unless a change has been agreed by the Schools Forum.

Although a breach was not intended at the time the budget was set, the limit has been exceeded. The reasons are largely due to technical adjustments between the Schools Budget and the Children's Services Budget and as a result of mainstreaming School Budget Grants in a way that is similar to previous years.

On a relatively small central budget these result in significant percentage increases.

The net percentage increases are as follows:

Schools Budget minus 1.5%

Central Expenditure plus 27.5 %

The actual changes in central expenditure are summarised below:

	£000	%
Transfer of the PFI Affordability Gap (together with local authority funding – not DSG)	1,973	10.5
Transfer of School PPM budgets (together with local authority funding – not DSG)	649	3.5
Central funding for mainstreamed grants (AST's, City Learning Centres, MEAS)	2,055	10.9
Provision for additional delegated Early Years Costs	762	4.0
Provision for Harmonisation loan repayment	450	2.4
Carbon Reduction Costs	189	1.0
Net Reduction in SEN, School Meals, Behaviour etc	915cr	(4.8)
Net Increase	5,163	27.5

5.0 RECOMMENDATION

The additional DSG of £21,622 is carried forward and included in the budget for 2012-13.

David Armstrong
Interim Director of Children's Services