

Schools Forum 22 May 2007

Report of the Director of Children's Services

Dedicated Schools Grant (DSG) Budget – Schools Budget - 2006/07 Financial Year Provisional Outturn

Purpose of Report

1. To provide Schools Forum with the provisional outturn data in respect of the Schools Budget for the 2006/07 financial year.

Budget Working Group Discussed

2. No

Action for Schools Forum

3. To note the 2006/07 financial year provisional outturn data in respect of the Schools Budget, for which the Schools Forum are responsible.

Attachments to Report

4. None

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Purpose of Report

1. To provide Schools Forum with the provisional outturn data in respect of the Schools Budget for the 2006/07 financial year.

Background

2. The Schools Forum is responsible for the allocation of the Dedicated Schools Grant (DSG) for 2006/07.
3. For the 2006/07 financial year the DSG is £173.955m. The DSG funds the Schools Budget. The Schools Budget is a combination of centrally retained budgets together with the ISB (Individual Schools Budget).
4. The monitoring report in respect of the 2006/07 financial year was last presented to Schools Forum at the meeting in February 2007 at which time there was a forecasted overspend of £1.1m, however at the meeting in March 2007 it was estimated that, due to management action, this overspend had significantly reduced with the latest estimated overspend of £100k.
5. The Authority is now finalising the accounts for the year ended 31 March 2007; the Audit Commission will commence their external audit of the accounts during June. Therefore until this process is completed the financial outturn data for 2006/07 is reported as a provisional outturn.
6. The provisional outturn for 2006/07 is on budget at £173.955m; this includes a reserve of £129k earmarked in respect of Dudley primary schools reorganisation as detailed in the report Primary Schools Reorganisation, elsewhere on the agenda.
7. At the Schools Forum meeting in March 2007, it was necessary to earmark a sum of £100k from the 2007/08 DSG to cover the anticipated overspending in 2006/07. As this is no longer required for this purpose the £100k can be released and will be retained within the schools specific contingency awaiting a decision on its future use.

Finance

8. The funding of schools is prescribed by the DfES through the School Finance (England) Regulations 2007
9. From 1st April 2006, the Schools Budget is funded by a direct DfES grant: Dedicated School Grant (DSG).

Law

10. Councils' LMS Schemes are made under Section 48 of the School Standards and Framework Act 1998. The Education Acts 1996 and 2002 also have provisions relating to school funding.

Equality Impact

11. The Council's Equal Opportunities Policy is taken into account when considering the allocation of resources.

Recommendation

12. Schools Forum to note that, subject to the external audit during June 2007, the 2006/07 outturn in respect of the DSG (Dedicated Schools Grant) will be in balance, which will release the £100k contingency approved for 2007/08.



John Freeman

Director of Children's Services

Contact Officer:

Karen Cocker, Children's Services Finance Manager

Karen.cocker@dudley.gov.uk Tel: 01384 815382